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ABSTRACT

This guide is intended to assist planners and administrators in designing Job Training Partnership Act (JTPA) youth programs. The following topics are covered in the individual chapters: serving youth under JTPA; program planning (planning and performance standards); program operations (participant activities and services under JTPA, establishment of a youth competencies system, and program management and administration); and ways of expanding program opportunities (education and coordination, strategies for marketing youth programs to the private sector). Appendixes include a field memorandum on JTPA requirements, an explanation of alternative methods for determining the percentage of JTPA funds to be expended for youth, a JTPA annual status report form, a youth competencies resources and benchmarking exercise, suggested marketing resources, program design options for nonstipend programs, program models, a training agenda, sample fixed unit price contracts, and evaluation forms. (MN)

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Designing and Implementing Youth Programs:

Job Training Partnership Act Youth Employment Forums Manual

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DESIGNING AND IMPLEMENTING YOUTH PROGRAMS

Job Training Partnership Act Youth Employment Forums Manual

April, 1984

This training manual has been made possible by grants from the Edna McConnell Clark Foundation and the Charles Stewart Mott Foundation. It was produced through a cooperative effort of the National Association of Private Industry Councils, National Alliance of Business and the National Governors' Association.

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ACKNOWLEDGEMENTS

We extend our sincere appreciation to the many people who contributed to the publication of this volume. We have benefited from the knowledge, advice, and consultation of many friends and colleagues in the development of this training curriculum. While it is impossible to address all the issues around the Job Training Partnership Act, this training manual addresses those which we have found, through the first series of on-site trainings, to be the most vital to planners and administrators designing programs for youth. We hope that these chapters provide insight to the issues most often raised when designing youth employment programs. It was not our intent to provide the reader with all the answers, nor to answer all the questions in the same manner. Rather, this volume looks at different ways to interpret the Job Training Partnership Act. This manual raises a number of issues and provides a number of answers, as well as questions, around employment policy and programming for youth.

We would like to offer a special thanks to the Edna McConnell Clark Foundation and the Charles Stewart Mott Foundation for their commitment and support of the project. We have especially appreciated the contributions of Hattie Harlow and Frank Rueda of the Clark Foundation and Jon Blythe of the Mott Foundation.

This project would not have become a reality without the support of our three organizations--National Association of Private Industry Councils, National Governors Association and National Alliance of Business. Particuarly, the commitment of Robert Knight, Executive Director of NAPIC; Evelyn Ganzglass of NGA; and Fred Frederick of NAB; for their belief that youth programming was not just an important and timely concern--but that private industry councils and state and local governments could forge effective partnerships to address an ever increasing problem.

Finally, we extend a special thanks to Eric Butler of Brandeis University and Rob Ivry of the Manpower Demonstration Research Corporation for their wisdom, critiques and continuing friendship.

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YOUTH FORUM TRAINERS

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Rick Spill is presently a Senior Staff Associate for the National Governors' Association responsible for delivering general orientation training and technical assistance, as well as on-site problem solving services across the country in all phases of the Job Training Partnership Act. Formerly, Mr. Spill was the Director of a Neighborhood Youth Corps and Administrator of a CETA prime sponsor in Maine. From 1978-1981, Mr. Spill was responsible for a national multi-million dollar youth employment program. Mr. Spill was also the recipient of a Fellowship from the National Commission on Manpower Policy. He received an undergraduate degree from Bowdin College, a Master Degree in Criminal Justice from the State University of New York and an M.Ed. from the University of Maine.

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INTRODUCTION

The Job Training Partnership Act (JTPA) represents several major changes from past years in the way the public employment and training system delivers its services, is held accountable and thinks about training disadvantaged youth and adults.

Most notably, on October 1, 1983 the private sector, through private industry councils (PICs), became an equal partner to the public sector and not just an advisory body. With the shift to joint responsiblility of both the public and private sectors, policy makers hope the partnership will create training opportunities that go hand-in-hand with local economic development policies to provide long term job opportunities for the structurally unemployed.

Given this, JTPA shifted away from being an "income maintainance" program to one in which the focus was on job training with the primary result, or outcome, being placement in a private sector job. This movement away from providing trainees with allowances or stipends while in training and away from placement in public sector employment has created the most concern from within the system.

A third major difference of JTPA is the institutional focus on performance. While most CETA prime sponsors did rely on performance as indicators for subcontractors, client performance standards were not built in system-wide. The JTPA mandates performance standards for all service delivery areas (formerly prime sponsors). Performance criteria for both youth and adults will become central factors in program design, selection of target populations and types of services provided.

This training curriculum will look at the changes currently taking place in the employment and training system. The Job Training Partnership Act provides that forty percent (40%) of the funds for Title II-A of the Act (Training Services for Disadvantaged Youth and Adults) be spent on youth programs. This guide addresses itself to serving youth under JTPA. The issues addressed in the following chapters will be discussed as they relate to youth programs, although

many of the technical issues are generic and will be relevant to adult programs as well. The important thing to note is that when conclusions are drawn or recommendations made, the authors have made them relevant to designing programs and meeting the needs of the 14-to-21 year-old population defined as youth under the Act.

This curriculum is designed with two goals in mind. One is to provide the reader with technical knowledge based on the Act, the regulations, and their application to program design and operation. The second is to instill a thinking process around JTPA that will maximize creativity and services to those disadvantaged youth in need of training. It will be noted many times throughout this manual that Governors have a great deal of discretion in how programs will operate under JTPA. Much of the prescriptive nature of CETA is gone and the processes for ensuring adequate accountability and services are left up to each state. This curriculum is designed to provide the reader with a way to think about JTPA that will help to guide the system at those "discretionary" points and to help program operators and planners maximize the potential under JTPA rather than to be disillusioned by its percieved drawbacks.

The central construct of this manual is based on planning. We have designed the chapters to flow around the constant need for long-term and short-term planning. It is our belief that you can plan for and operate effective programs under JTPA for economically disadvantaged youth if you fold the requirements of JTPA into congruent program designs that meet the needs of your identified target population, as opposed to deriving your program designs by perceived limitations within JTPA.

This manual is designed for PIC and SDA staff as well as other program administrators to provide an overview of the youth provisions in the law. The manual addresses general issues and possible solutions, but due to the nature of JTPA, cannot be more prescriptive.

The Job Training Partnership Act creates a new way of doing business. In and of itself it does not limit program operators and planners from using many of

the activities used in CETA to train young people, it does not limit the types of clients you may serve, and it does not limit your creativity.

The limitations and frustrations around JTPA will come from the way it is interpreted, from a lack of calculated risk-taking, and from an unwillingness to create true partnerships. This is a new era in the employment and training system. The Act sets up the parameters; it is up to the actors at all levels to set the content. We hope this manual can play a small part in that process.

DESIGNING AND IMPLEMENTING YOUTH PROGRAMS
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Youth Employment Forum
Columbus, Ohio

December 6-7, 1984

Thursday, December 6, 1984	REGISTRATION
8:30 a.m. - 9:30 a.m.	Coffee and Danish
9:00 a.m. - 9:15 a.m.	WELCOME Lori Strumpf, National Association of Private Industry Councils, (NAPIC)
9:15 a.m. - 9:45 a.m.	ISSUE IDENTIFICATION
9:45 a.m. - 12:00 p.m.	A SYSTEMS APPROACH TO PROGRAM DESIGN AND OPERATION o Principles and elements of design o Options under JTPA Lori Strumpf, NAPIC
12:00 p.m. - 1:30 p.m.	LUNCH
1:30 p.m. - 5:00 p.m.	DESIGNING PROGRAMS Lori Strumpf, NAPIC Brandeis University Andrey Kahn - " "
3:00 p.m. - 3:15 p.m.	BREAK

Friday, December 7, 1984

8:30 a.m. - 9:00 a.m.	Coffee and Danish
9:00 a.m. - 10:30 a.m.	MAKING THE SYSTEM WORK: EFFECTIVE MANAGEMENT o Performance contracts, cost reimbursement contracts, unit cost contracts o Appropriate services for performance contracts o Issues and options in implementing performance contracts Steve Pines, National Alliance of Business, (NAB)
10:30 a.m. - 12:00 p.m.	IMPLEMENTING COMPETENCIES: THE POLICY QUESTIONS o Developing competencies o Performance standards o Developing effective linkages o Managing the information Rick Spill, National Governors Association, (NGA)
12:00 p.m. - 1:30 p.m.	LUNCH
1:30 p.m. - 3:15 p.m.	IMPLEMENTING COMPETENCIES: THE LOCAL RESPONSE o Local Design Making o Creaming o Local management, monitoring and accountability Rich Spill, NGA

3:15 p.m. - 3:30 p.m.	BREAK
3:30 p.m. - 4:45 p.m.	IDENTIFYING ASSESSMENT, MEASUREMENT, AND TRAINING TOOLS FOR A COMPETENCY SYSTEM ~~Susan Curnan~~, Brandeis University
4:45 p.m. - 5:00 p.m.	WRAP-UP Lori Strumpf, NAPIC
5:00 p.m.	ADJOURN

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Columbus Private Industry Council

CHAPTER I

SERVING YOUTH UNDER THE JOB TRAINING PARTNERSHIP ACT

A LEGISLATIVE LANDMARK

The Job Training Partnership Act (JTPA), enacted in 1982, represents a significant departure from previous employment and training legislation and policies. JTPA was designed to address adult and youth unemployment in a much broader context than its predecessors. The Act, by delegating responsibility to the states, encourages the development of a comprehensive state employment policy by recognizing the capability of the states to integrate public and private services and resources. JTPA provides states both opportunity and challenge. The authority given to states and the following provisions of JTPA support such opportunities and enhance the integrity of the new system.

JTPA goes beyond past policy in recognizing the need for private sector expertise and resources. The public/private partnership provisions give business the responsibility and authority to work with government in employment and training. Strong business participation increases the potential for ensuring that state and local job training efforts reflect realities of the economy. Additionally, the partnership establishes a check-and-balance system between public and private actions.

The Act presents an unprecedented range of options for local public and private leaders to decide how to plan and manage the local employment and training system. Fundamental administrative and mangement decisions are made locally. This feature will enhance the potential for local programs to address local needs. The extensive range of allowable activities and services listed in Section 205 for adult and youth under Title II affords program planners a great deal of flexibility to create designs which address particular community and target group needs.

Activities for youth are futher expanded to include the four exemplary youth programs:

- Education for Employment
- Pre-employment Skills Training

- o Entry Employment Skills Training
- o School-to-Work Transition Assistance.

These programs, while optional, provide some guidelines in terms of appropriate youth target groups, and address the need to structure a continuum of services based on educational attainment and level of work readiness. However, program planners are encouraged to expand upon these models by integrating them with other allowable activities and services.

The oversight and monitoring of JTPA programs is based on performance results --the bottom line. The standards will be developed at the federal and state levels and incentives for Service Delivery Area (SDA) performance are provided for by the Governor. (6% of state allocations are set aside for performance incentive grants and technical assistance).

In addition to adult standards, a separate set of performance standards has been established for youth, which, in addition to placement, recognizes positive termination and cost per positive termination. Positive outcomes for youth are determined by performance indicators or competencies, established by the private industry council. Clearly, the focus of JTPA is on training and placement in the private sector as opposed to income support and public job creation. JTPA presents an unprecedented challenge to states and localities to design results-oriented programs and achieve maximum coordination of services through a public-private partnership.

YOUTH PROGRAM PROVISIONS UNDER JTPA

The Job Training Partnership Act is quite appropriately titled from the Youth goals and objectives perspective. JOB -- the legislation is clearly results oriented. The Youth programs operated under this Act are designed to increase employment opportunities and, ideally, to result in getting economically disadvantaged youth a job. TRAINING -- the means to achieve this end is the program intervention. Training is comprised of a comprehensive mix of services and activities which are directly related to improving employability. PARTNERSHIP --the structuring of a collaborative and cooperative public and private administrative and delivery system to maximize resources. All of these elements are inherent in the kinds of programs to be developed for youth under Title IIA and B of JTPA.

The Act requires that 40% of the available funds be spent on eligible youth unless an adjustment is warranted. This provision reflects a recognition of the critical employment problems of youth and that economically disadvantaged youth have different job training needs than adults.

Eligibility

With few exceptions, youth - individuals aged 16 through 21 - must be economically disadvantaged to participate in programs under JTPA. Economically disadvantaged persons are those who:

- Receive, or are members of families who receive, cash welfare payments;
- Have, or are members of a family which has, income not exceeding the higher of the Office of Management and Budget (OMB) poverty level or seventy percent of the lower living standard income level; or
- Get food stamps;
- Is an adult handicapped individual whose own income meets these requirements but whose family income does not; or

- o Are foster children on whose behalf government payments are made.

Youth who are 14-15 years old may be served during the summer and in year-round programs if it is written into the SDA program plan.

10% Window

However, there is a provision (Sec. 203(a)2) which allows up to 10 percent of the participants in all programs in a service delivery area to be enrolled who are not economically disadvantaged. These individuals must have other barriers to employment such as, persons with limited english-language ability, displaced homemakers, school dropouts, teenage parents, older workers, veterans, alcoholics, addicts, the handicapped, or offenders. Since almost anything can be construed to be an obstacle to securing work, this section of the law raises a "letter of spirit" issue for local youth program operators, PIC's, and Local Elected Officials (LEO's). The 10% window maybe used as a means to avoid audit problems or disallowed costs, or may allow a priority rating system be established to attempt to help those with the greatest employability deficits. These are not mutually exclusive.

Safeguards

The job training plan from each SDA should provide employment and training opportunities to those who are most in need of, and can benefit from, participation in programs. Such assistance should also be spread as equitably as possible among the various segments of the eligible population. Aid to Families with Dependent Children (AFDC) recipients and eligible school dropouts are to be served in relation to their proportion of economically disadvantaged individuals ages sixteen years and older who reside in the service delivery area. Section 142(b) of the law provides that allowances, earnings, and payments to enrollees shall not be considered as income for the purposes of determining eligibility for and the amount of income transfer and in-kind aid, other than programs under the Social Security Act. One recent exception to this includes the income disregard section related to the Summer Youth Employment and Training Program.

JTPA is a federally funded effort; therefore, under Section 167 all states, SDA's, PIC's, LEO's and program operators are subject to the prohibitions against discrimination on the basis of age.

Other provisions relevant to JTPA youth programs include:

- No funds may be provided for any subsidized employment with any private for-profit employer unless (a) the individual employed is a youth aged 16-to-21, inclusive, who is economically disadvantaged and (b) the employment is "tryout" in nature and operated accordingly.

- No currently employed worker shall be displaced by any participant (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits).

- No program shall impair existing contracts for services or collective bargaining agreements, except that no program which would be inconsistent with the terms of a collective bargaining agreement shall be undertaken without the written concurrence of the labor organization and employer concerned.

- No participant shall be employed or job opening filled (a) when any other individual is on layoff from the same or any substantially equivalent job, or (b) when the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the intention of filling the vacancy so created by hiring a participant whose wages are subsidized.

- No jobs shall be created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals.

- No funds will be used to assist, promote, or deter union organizing.

- Where a labor organization represents a substantial number of employees who are engaged in similar work or training in the same area as that proposed to be funded, an opportunity shall be provided for such organization to submit comments with respect to such proposal.

Rewards

Section 202 (b)(3)(B) permits states to provide incentive grants to SDA's for programs exceeding performance standards including incentives for serving "hard to serve individuals."

Income generated under any programs may be returned locally and used to carry out the program and further its objectives unless the governors request that such income be turned over to the states. Program income may also be used to satisfy various matching requirements for various portions of JTPA.

YOUTH PROGRAM GOALS AND OBJECTIVES

JTPA's youth focus is results oriented. Performance standards which apply to programs for youth under Title IIA include:

- Placement and retention in unsubsidized employment;
- Increase in earnings, including hourly wages;
- Reduction in the number of individuals and families receiving cash welfare payments, and the amounts of such allotments;
- Entry and completion of elementary, secondary, and postsecondary schools, or the equivalent(s) thereof;
- Enrollment in other training programs or apprenticeships, or enlistment in the armed forces; and
- Attainment of employment compentencies recognized by the local PIC, such as preemployment knowledge, work maturity, basic educa-

tion, job specific skills, career decisionmaking capacity, coping and survival skills, and communications capabilities.

ADDITIONAL JTPA RESOURCES FOR SERVING YOUTH

In addition to funds under Title IIA, there are other potential resources in JTPA which can be leveraged to support youth programs. These include:

- Governors' coordination and special services activities such as offender programs or assistance to other individuals requiring special assistance, as well as model employment and training efforts;

- Delivery of employablity enriching services to program youth under the governors' eight percent education set aside;

- Tie-ins to Title III, where appropriate, especially for young people who qualify as dislocated workers or long-term unemployed who have limited employment or reemployment options in their vocational fields and areas of residence;

- Participation in Title IV under activities such as multi-state programs serving specialized needs of particular client groups, including youth, offenders, individuals who lack education credentials, and welfare recipients research and demonstration efforts, experiments in easing the transition from school to work, and pilot projects; and,

- Utilization of the governors' six percent set-aside for provision of needed technical assistance in planning, developing, implementing, operating, managing, and evaluating youth programs.

Becoming acquainted with the technical provisions of the Job Training Partnership Act and the regulations issued by the U.S. Department of Labor is critical. Additionally, you should be familiar with any requirements set forth by your governor's office. This information provides the legal framework and

establishes the parameters for developing administrative, management and operational plans. The legislative and regulatory framework is intentionally flexible. The challenge for program planners and operators is to put the meat on the bones and design programs which address the employment and training needs of youth within the context of a performance based delivery system.

CHAPTER II

PROGRAM PLANNING

SECTION 1

PLANNING

The Job Training Partnership Act provides a tremendous opportunity and presents many challenges to organizations within the local service delivery area (SDA) which will be involved in planning youth employment programs. The opportunity to make substantial impact on the youth employment problem with relatively few programmatic restrictions is an exciting prospect. However, the new system also requires that local organizations meet a number of challenges, including:

- Developing a local public/private partnership for planning and operating youth training programs.
- Improving linkages with other youth-serving agencies, education, social services, etc.
- Providing training activities with limited resources for administration, allowances and supportive services.
- Meeting performance standards and adhering to guidelines set forth by the U.S. Department of Labor and the governor.

Planning Steps

To meet the needs of participants and fulfill legal requirements successfully, it is essential that thoughtful and thorough planning occurs. Planning means choosing from among alternative courses of action in order to reach goals. Important decisions must be made every step of the way. The process for planning includes these basic steps:

- Needs Assessment: Decisions about how to conduct a needs assessment grow from organizational goals, objectives and resources. Depending upon the organizational mission, the assessment

may focus on target client groups, employers, the community, the labor market, or any combination of these. The needs assessment provides the rationale for the programmatic approach by setting the framework for program objectives.

- o Assessment of Resources: Once the needs are identified, it is also important to consider the resources available to address these needs. This includes organizational (staff, financial) resources, community resources, and linkages. An assessment of this type will help define realistic parameters for setting program goals and objectives, and maximize coordination.

- o Goal Setting: Using the data collected on needs and resources, within the framework of the organizational mission, the formulation of realistic program goals is possible. Goals should be clearly stated, as they guide program operations and evaluation efforts. A number of important decisions must be made during the goal setting process: 1) who will be served; 2) how will they be served; and 3) what are the expected outcomes. The decisions made about these three areas will help shape the program strategy.

- o Operations: With goals and objectives identified, it is now possible to plan management systems rationally, program elements, and specific tasks. The overall program strategy should reflect the outcomes of the preceding planning steps.

- o Evaluation: Finally, the program results should be measurable. The required performance standards will set some parameters, but a method for measuring success, including management or staff performance, must be considered.

Decision Making

It is clear that the planning process requires that decisions be made based on data, resources and requirements. Planning the program strategy requires a

more detailed look at decision making and needs assessment. As young people enter the labor market, two hurdles face them -employability and employment. Employability is the capacity to find, obtain, retain and advance in a position subsequent to leaving school or a work preparation program. Elements of employability include: skills, knowledge, education, training, competencies, behavior, attitudes, work habits and personal preference. Employment is the status of actually possessing a job. Elements of employment include: degree of labor force participation, amount of time worked, number of jobs held and length of each work episode, hourly and weekly earnings rates, and cumulative income. Programs should seek to assist youth in each area, thereby enabling teenagers and young adults to reach their fullest possible career potential.

Those responsible for serving youth need to address the following issues:

- Targeting youth by needs, competencies and readiness thresholds;
- Formulating related and relevant curricula;
- Accessing advanced learning technology, procedures and instructional materials;
- Conducting multi-dimensional employability development planning and client flow control;
- Managing participant activities, maintaining enrollee records and instituting integrated, comprehensive reporting and data retrieval/utilization practices;
- Benchmarking achievements in preemployment knowledge, work activity, basic education, job specific skills, decisionmaking and communications skills, survival and coping skills, credentialing and awarding academic credit; and,

- Setting up performance standards, instituting quality assurance, and creating a climate of accountability.

Educators and program operators must gather and analyze current information about the client groups and local labor market supply and demand projections, and attempt to combat imbalances such as the isolation of unemployed, qualified workers from available job openings. Planners and administrators have to choose from among or combine available project options such as pre-employment coaching, work experiences, skills training, occupational exploration, academic, basic and remedial education, counseling, supportive services, and job development. Determinations must be made concerning program structure, major actors and decision makers, organizational arrangements, institutional agreements, and the hiring and training of staff. How will students and enrollees be recruited, screened, tested, selected, and assigned to staff and program offerings? What processes, methods and techniques will best contribute to active learning and growth? Should curriculum content be standardized or individualized as part of a continuum of services concept? Which is the best sequence of events? How long and intense should various stages be? Schools and youth programs must also market their projects and products to employers and others as consumers, develop community resource inventories and obtain a variety of training options to get optimal placement and follow-up opportunities for young people.

One of the most important decisions that needs to be made is who will be served. Within the constraints of the "requirements" set forth for youth programs under JTPA, the option to serve any portion of these groups is available:

- JTPA eligible in-school youth
- In school youth in selected age groups
- Out of school youth
- Out of school youth in selected age groups
- High school dropouts
- Youth with special barriers (handicapped, teenage mothers, etc.)

TARGETING

There are, within the "economically disadvantaged youth" population, a number of sub-groups that may be defined by age, sex, race, educational status, work history status or special barriers. Each sub-group has unique characteristics and needs and may have some characteristics common among all groups. It is important to recognize these distinctions when making decisions about who to serve and how to serve them. This concept is known as targeting. Before selecting a target client group, you should consider the data collected in the needs assessment and assessment of resources so that you will not plan programs which duplicate existing services and so that you can feel confident about your organizational capability to manage and operate a program that will meet the needs of the particular target group effectively.

The amount of funds available may also impact your decision to serve a certain population. Obviously, you cannot provide services to everyone who needs them with limited public dollars. Leveraging business dollars is becoming a popular approach to supplementing funding. However, businesses and other private supporters may want to influence the targeting decisions to meet their needs. This approach identifies the targeted group first, which in turn influences the mix of activities and services and structure of the program.

Targeting can also occur in the reverse. The program strategy may already be set and you want to identify or target those youth who would benefit most from that program's services. One way to do that is to target youth who have a high level of need for these services but who also have the requisite competencies to participate successfully . A pre-program assessment of both need and competency would be necessary. Perhaps, if the program is classroom-based, a minimal level of reading may be essential for successful participation. A person without adequate reading competency may be set up to fail in such a program. This type of targeting may be the "ideal," but not always realistic due to political considerations or situations beyond your control.

There are also some practical considerations involved when targeting services to specific youth populations, including:

- o Planning for special problems (personal counseling, modifying curriculum, physical access for handicapped youth, etc.)

- o Individualized activities or services needed by different target groups

- o Creaming

An equally important decision is how to serve clients. The ultimate strategy decided upon should include a mix of program activities and services that is appropriate, cost-effective and consistent with the requirments of JTPA and the SDA. The mix of activities and services offerd by the program should represtent a planned intervention strategy. This requires that participant goals and expected outcomes are established during the planning process. By identifying a target participant group and their needs, a congruent mix of program offerings can be developed to assit youth in meeting their cognitive, behaviorial and transitional goals.

JTPA provides the flexibility to develop models which contain an extensive array of program components, activities and services. A number of program models have been tested and tried which use these elements either singularly or in various combinations. Program operators are encouraged to create their own models based on local planning, participant needs and available resources. Again, these decisions relate to needs assessment, resources, goals and targeting...always back to planning. There is a great deal of research and literature on "what works best for whom" from demonstration programs operated under the Comprehensive Employment and Training Act (CETA). So while there is no need to reinvent the wheel, JTPA encourages creativity. The flexibility provided by the law enables program planners to design strategies which are comprehensive, create school linkages and recognize the distinction of youth sub-groups and their particular needs.

Often, a great deal of attention is given to labels such as "high risk", "needy", and "unskilled" which push program operators into a one-dimensional service approach. It implies that a standard set of program offerings can address "the"

problem. These general labels actually subsume many subsets of youth groups. The youth who enter employment and training programs constitute an enormously diverse population, requiring a multi - dimensional approach to meeting different needs. A model for approaching the multi-dimensional aspects of targeting should be considered a first step in moving toward a conceptual framework for comprehensive program delivery.

Decisions regarding targeting may be the most difficult because it is a complex process which must also include financial and political considerations. For example, the process of targeting can be a costly undertaking due to extensive assessment.

Additionally, the private industry council may need to be responsive to certain public interest and community concerns.

SECTION 2

PERFORMANCE STANDARDS: HOW THEY WILL AFFECT YOUTH PROGRAMS

Performance is not a new concept in the employment and training system. Many prime sponsors under CETA held contrators accountable through contract procedures based on levels of performance. Policy makers as well as local administrators had been discussing ways in which to measure CETA's performance for local accountability as well as attaining better national press for quite awhile. The Job Training Partnership Act introduces a system-wide standard of performance. Along with the prohibition on paying allowances, stipends and wages, performance standards may have the most far reaching effect on the system as a whole. Performance standards will have an impact on program planning and design as well as the types of clients served and the services they receive.

This Chapter will address performance standards on two dimensions. It will focus on technical information as it applies to the performance standards requirements, and it will present a working philosophy that speaks to the performance standards as a process that can be used positively in designing and managing programs.

The Congress, through the Job Training Partnership Act, has taken a somewhat different approach than CETA's to the public employment and training system by stressing "return on investment". The investment in human capital under these programs is measured by nationally determined standards. Section 106 of the Act sets the criteria for measuring the "return on this investment". The Act specifies the following outcomes: increased employment and reduction in welfare dependency.

The Act also recognizes that while these results are important for both youth and adult programs, youth may have different programmatic needs that should be measured by additional factors such as the attainment of employment competencies; elementary, secondary and postsecondary school completion; and

educational equivalency; enrollment in other training programs or apprenticeships; and/or enlistment in the military.

On April 12, 1983 the Secretary of Labor issued "Transition Performance Standards". These standards apply to the first nine month period under JTPA (October 1, 1983 through June 30, 1984). Seven measures of performance were set forth:

For Adult Programs:

- o Entered employment rate
- o Cost per entered employment
- o Average wage at placement
- o Welfare entered employment rate

For Youth Programs:

- o Entered employment rate
- o Positive termination rate
- o Cost per positive termination

During this nine month transition period, SDAs are expected to adhere to the performance standards. In fact, those SDA's which exceed performance standards may receive an incentive bonus from the governor. Those which do not meet the standards during the transition period will not be sanctioned, but may recieve technical assistance from the state. In effect, the transition period is a trial period to prepare the system for the first full program year. Both incentive bonus grants and technical assistance are funded through the governors' 6% setaside of JTPA funds.

Final performance standards for the first program year (PY'84) were published on February 1, 1984. After the first program year (ending June 30, 1985), governors must provide technical assistance to SDA's that have not met their performance standards, while providing incentive grants to those that have exceeded their standards. At the end of the second program year (during any

two year program cycle) governors must impose sanctions which could include redesignating an SDA which has continued to fall short of the performance criteria.

For each measure, the Secretary of Labor has to set a standard - the percentage within each measure an SDA must meet. These standards may be adjusted by the governor using a regression analysis model or another model adopted by the state. The methodology used by the Department of Labor to arrive at the performance standards was the regression analysis model. It is not necessary to understand how the model works, but it is important to understand how the model is used with regard to adjusting the Secretary's national standards.

The final performance standards are effective for the period July 1, 1984 through June 30, 1985 (FY '84). The law states that performance standards may not be changed within any two year cycle. The Department of Labor has stated that they do not intend to change or increase the number of measures. Since the standards (numbers) are based on old data (CETA '82), the Department feels that it will be helpful to the system to update that data next year.

The final performance standards are as follows:

Measure	**Standards**
Adults	
o Entered Employment Rate:	55%
o Cost Per Entered Employment:	$5,704
o Average Wage at Placement:	$4.91/hour
o Welfare Entered Employment Rate;	39%
Measure	**Standards**
Youth	
o Entered Employment Rate;	41%
o Positive Termination Rate;	82%
o Cost Per Positive Termination	$4,900

The standards for adults vary slightly from those used during the nine month transition period. The youth standards are the same. The data used to establish the standards were collected during the first three quarters of CETA FY1982 for the transition period and the first four quarters of CETA FY1982 for the final standards. The youth performance standards remained constant for two reasons: first, calculations for the final standards continued to be based on data from the three quarters of FY1981, due to the fact that many prime sponsors either were not operating youth programs (Titile IV-A of CETA) during the first quarter of FY'82 or had terminated most Title IV-A clients during the fourth quarter. Secondly, officials of the Department of Labor believed that the inclusion of youth competencies allowed more flexibility in determining the youth standards.

THE KEY TO PERFORMANCE

The inclusion of performance standards in the public employment and training system has been accused of being the force that will promote "creaming" within the system. In other words, because certain levels of performance must be met, programs will be more likely to target clients most likely to succeed and deliver services in a short-term, fast-track training modality. Program operators and planners alike must ensure that the system responds to hard-to-serve, high risk categories of young people.

The decision to work with an "at risk" or hard to serve target population is a local one based on local decision-making factors which may include: resources available - both monetary and other support services; need (how many of "them" are there); and short and long-term outcomes in addition to JTPA performance criteria. Another decision point may resolve around the school of thought that believes the target population under JTPA, economically disadvantaged youth, are all at risk by definition and therefore there is no particular need to serve those at the far end of the labor queve above and beyond those at the top end. Obviously, there are many factors that influence what target populations will be served. The inclusions of performance standards in programs will not

necessarily be the force which promotes only serving high school seniors with above C averages!

JTPA does in fact, set up a performance driven system. But it does not necessarily set up a performance standards driven system. Performance standards by themselves do not drive the system toward serving those most likely to succeed. In fact, the system and providers of services sell themselves short if they fear performance standards. We should know, understand, and feel confident that we do a good job and can meet performance. What will push the system toward serving only those participants "least at risk", those that might find employment with or without our services, is how the standards are interpreted and negotiated locally and at the state level.

The Secretary's national standards may be adjusted for local SDA factors. This is where discussion concerning the standards plays a crucial role. The number (i.e. 41% youth entered employment rate) as a discrete and mandatory entity becomes less important if planners begin to think about building performance criteria into a multi-dimensional program design that identifies different target populations as well as kinds of services and various providers of those services. At that point, performance standards may be "superimposed" upon the program design and adjusted accordingly. It should be noted that governors do have discretion as to whether they will allow the standards to be adjusted locally. If a governor chooses not to adjust the standards, then the Secretary's standards are the standards to which an SDA will be held. In this instance - the performance standards may affect the ability of PICs/SDAs to choose appropriate clients to be served based on local conditions.

Use of the regression analysis model, (hereafter referred to as the model) which the Department of Labor (DOL) used to derive the standards, is another discretionary point for governors. The governors may choose to use the model to adjust performance standards locally, or they may choose to develop their own adjustment methodology. Early in the development of the performance standards, discussions focused on the development of parameters around the Secretary's performance standards. The expectation was that these parameters would be numerical. For instance, if the youth positive termination rate was

82%, the parameters devised by the model might be plus or minus 15 percent, meaning that the standards could be adjusted anywhere within the range. Given the optional use of the model, the setting of parameters permits a systematic approach and process, regardless of the adjustment methodology employed. The parameters specify that the procedure must be:

- o Responsive to the intent of the Act;
- o Consistently applied among SDA's;
- o Objective and equitable throughout the state;
- o In conformance with widely accepted statistical criteria.

Additionally, the Secretary requires that source data must be:

- o Of public use quality;
- o Available upon request,

and, that results must be:

- o Documented;
- o Reproducible.

The fourth category addresses the adjustment factors and is the most important for PIC/SDA's and service providers to understand if they wish to provide services to an at-risk target population.

The adjustment factors must be limited to:

- o Economic factors,
- o Labor market conditions,
- o Characteristics of the population to be served,
- o Geographic factors, and
- o Types of services to be provided.

In essence, the adjustment factors can allow for an SDA to target part (or all) of its resources on a high risk population (i.e. teenage parents, dropouts, youthful offenders or other hard-to-serve populations that are identified locally) and adjust the standards so as not to be "punished" for doing so. It is important to remember that the performance standards are SDA-wide standards, not necessarily imposed unilaterally upon each provider within the

SDA (See Chart). Providers should be assessed based on the services they provide and held accountable to a performance level that is realistic and that, in conjunction with other training programs, will assist the SDA in meeting or exceeding performance.

PERFORMANCE STANDARDS

Planned Performance Rates for 5 Subcontractors within an SDA

SDA Providers * (Sub-Contractors)	Youth Positive Termination Rate (assumes the use of competencies)	Youth Placement Rate
provider #1 (CBO)	87%	42%
provider #2 (Voc. Tech.)	63%	65%
provider #3 (School)	90%	15%
provider #4 (CBO)	90%	30%
provider #5 (Chamber of Commerce)	85%	55%
non-adjusted SDA performance standard	82%	41%
SDA Average Rate	83%	41%
	**(SDA meets performance)	(SDA meets performance)

*providers are sub-contractors to the SDA. In local communities they can be vocational technical schools, community based organizations (CBO's), community colleges and other service deliverers.

**depending on state guidelines for the distribution of the Governors 6% funds - for technical assistance and incentive bonusus - this may or may not be considered exceeding performance for the purposes of receiving an incentive grant.

For example, if an SDA's program plan targets 50% of its resources on high-school dropouts and provides a long term service such as remediation, the SDA may request an adjustment from the governor based on characteristics of the population as well as types of services. However, given this example, if your placement rate is adjusted downward by 15%, for example to 26% and your positive termination rate is adjusted upward by 5% to 86%, if the SDA does not serve the number of dropouts projected in the plan, the 26% placement rate is no longer the SDA's adjusted rate. The standard must be recalculated to include the actual numbers. This could also be the case if you served more dropouts than anticipated relative to other populations. Adjusting the performance standards only helps to achieve performance if the SDA provides the services identified in the plan, and serves the targeted client group.

SDA's requesting an adjustment on any of the five factors will calculate the adjustment based on planned performance and, at the end of the program year, recalculate based on actual performance.

YOUTH COMPETENCIES

As noted earlier in this Chapter, the Congress realized that while increased employment and reduced welfare dependency were legitimate outcomes for youth participants, many youth may require special services and additional training that may or may not have placement in an unsubsidized job as the end result.

The Congress also acknowledged that program accomplishments in developing youth competency levels in such areas as basic education skills or pre-employment skills should be "credited" as a positive program outcome. The Act, at section 106(b)(2), states that the competencies must be "recognized by the PIC". This is an effort to ensure that attained competencies will be those that are appropriate for the local area and are creating a pool of trained young people that are, in fact, work-ready as defined by local potential employers. Most employers want someone who "knows how to dress, has the right attitude, knows how to be on time, etc". If employers can get someone with those skills, they will teach them the rest. The development of a process by which the PIC

recognizes these competencies will eventually lead to young people with greater employability.

The performance standards incorporate a PIC-recognized competency system within two performances measures, the youth positive termination rate and the youth cost per positive termination. In other words, if the SDA has a PIC-recognized system of youth competencies, the SDA may include the number of youth who attained recognized competencies in computing the rate of youth who terminate positively from the program as well as the cost of each positive termination.

All of this means that SDAs are able to broaden the base of positive termination to include not only entering registered apprenticeship programs, entering the armed forces, entered non-title II training, returning to full-time school, and completing major level of education, but also competencies such as basic work maturity skills or increases in reading and computation levels which might help a young person ultimately return to school or attain a private sector job.

The JTPA Annual Status Report (JASR) collects information on entry to unsubsidized or self employment, the armed forces, or a registered apprenticeship program. It also records "youth employability enhancement terminations" which are defined as outcomes for youth that are "recognized as enhancing long-term employability and contributing to the potential for a long-term increase in earnings and employment." Results which meet this requirement are restricted to: 1) entered non-Title II training; 2) returned to full-time school; 3) age 14-15 completed program objectives; or 4) completed major level of education. Items 1) through 4) are included in the JASR's narrative, but only three out of four of them (the requirement regarding 14 and 15 year olds is excluded) are present on the face of the form. The JASR lumps all other outcomes and the reasons - both successful and negative - under the item "all other terminations." Such a set-up has some positive and some not-so-positive impacts. On the one hand, at least some achievement of youth competencies is recognized by the JASR. "Major level of education" entails completion during enrollment of a level of education not reached at the time of program entry.

Levels of educational accomplishment are defined as "elementary, secondary, and post-secondary." On the other hand, the JASR omits the attainment of job-specific skills, preemployment knowledge, and work maturity competencies, as well as helping potential dropouts to remain in school (assuming that such individuals can be identified and their status clearly defined). Some indices of dropout potential are: poor attendance records, decline in academic performance, credit deficiency, disciplinary problems, behavioral episodes, negative outlook or attitudes as reported by teachers or counselors.) Many states will be including these categories in their own management information systems, thereby creating a wider range of possibilities for effective project management and acknowledgement of outstanding young people.

This flexibility should make it easier for localities to serve a wide range of in-school youth residing within their jurisdictions. There will be no adjustments in the JASR, however, and no separate information required on enrollees who attain PIC recognized competencies in the preemployment, work maturity, or job-specific skills categories, or in aspects of the basic education realm other than "major level of education." These types of results, although countable as positive terminations, will be reported under the item "all other terminations." Since the concept of recognized employment competencies is "relatively new and likely to vary among the areas," ETA has chosen not to define this term and, therefore, not to collect standardized data on it. Instead, DOL-ETA will review and analyze the types of competencies that the PICs recognize, with such research used in any future modification of the existing performance standards or the JASR. Therefore, governors opting to count young people who achieve youth competencies as positive terminations will have to develop individual reporting, tracking and documentation requirements and mechanisms for their states.

The inclusion of youth competencies within the performance standards helps to "open up" the JTPA system to in-school youth who may be potential dropouts as well as to serve hard-to-serve young people who may need some basic skills improvement before entering a training program that prepares them for placement.

THE BOTTOM LINE . . . .

The bottom line is that the performance standards, in actuality, provide great flexibility for serving desired target populations, providing appropriate and effective services, and accounting for local labor market and economic conditions (such as plant closings) which could affect program performance. The tools exists, but the responsibility lies with administrators, PIC members, and program operators to use those tools to design effective programs which meet local needs.

Resources:

- Guide for setting JTPA Title II-A Performance Standards for FY'84 available from Department of Labor
- An Introduction to Competency-Based Employment and Training Programming for Youth under JTPA by Brandeis University and available from Department of Labor

CHAPTER III

PROGRAM OPERATIONS

SECTION 1

PARTICIPANT ACTIVITIES AND SERVICES UNDER JTPA

As young people mature, they progress through various learning stages and phases of labor market participation. Intervening in this process requires a developmental perspective encompassing job preparation, job exploration and experience, training and remediation, and unsubsidized job entry. Growth in these different areas can occur simultaneously. The key is to translate understanding into action and knowledge into behavior by providing participants the appropriate services at the appropriate time. Title IIA activities and services, the exemplary youth programs, the Summer Youth Employment and Training Program, and to some degree, the dislocated worker program are the main vehicles for achieving this end.

Title IIA Activities and Services

Seventy-eight percent of a state's Title IIA funds are spent on local program operations. These programs are developed by combining the allowable activities and services under section 204. They are grouped below into nine main categories, and are discussed briefly:

1) Pre-program - Activities in this category are often used to establish the operational foundation of the project, and can include:

   - o Specialized labor market information surveys not available through other sources;
   - o Marketing to obtain job listings or training slots; and,
   - o Employment generating activities to increase unsubsidized work opportunities for eligible youth in the service delivery area, and foster economic growth, and development for the locality.

2) Intake - These steps are those which make young people aware of program offerings, determine their eligibility, and the appropriate combination of activities and services:

- o Screening for eligibility;
- o Testing and assessment for skills, knowledge, education, employment history, training, interests, and aptitudes;
- o Employability development plan--a mutually agreed upon plan for achieving program learning objectives and post program labor market goals; and,
- o Site assignment--a thorough program orientation to review program and expectations.

3) Prevocational preparation - This broad category includes a wide variety of activities which support employability skills:

- o Individual or group job-related counseling;
- o Communications, coping and survival skills instruction; and,
- o Career decision-making.

4) Job exploration and experience - These activities provide youth their first glimpses of and contacts with the real world of work, including:

- o World of work awareness sessions and labor market information;
- o Vocational exploration to introduce youth to a variety of occupations and careers in the private and public sector;

- o Pre-appreticeship programs to get young people ready to meet entry qualifications for regular apprenticeship training efforts; and,

- o Work experience to develop basic work skills and enhance participant employability through full or part time assignments to public worksites.

5) Education - All education programs for youth operated with Title IIA funds are to be consistent with state and local educational standards. Including the awarding of academic credit and certificate of educational achievement.

Such efforts might encompass:

- o Remedial education and basic skills training to improve the employability of young people by upgrading academic competencies such as reading comprehension, math computation, writing, speaking, and listening and the capacity to use these skills in the workplace;

- o Literacy and bilingual training, including programs providing instruction in English-as-a-second-language;

- o Education, leading to attaining certificates of high school equivalency (GED); and,

- o Special arrangements leading to the award of academic credit toward a secondary school diploma or post secondary degree for skills acquired during participation in an employment and training program.

6) Training - Training conducted under JTPA should only be for occupations for which there is a demand in the local SDA or in another area to which the participant is willing to relocate. Con-

sideration for selecting job training offerings may be given to those occupations determined to be in sectors of the economy which have a high potential for sustained growth. Training can be offered by a variety of methods, such as:

- Institutional skill training, normally conducted in a classroom and "laboratory/shop" setting, to provide young people with the knowledge and technical skills required to perform a specific job or group of jobs;

- On-the-job training, provided in the private or public sector to participants hired by employers when the training begins, to engage youth in productive work which furnishes both knowledge and skills essential to the full and adequate performance of the job;

- Programs of advanced career training, which provide a formal combination of institutional and on-the-job training with internship assignments as integral curriculum elements furnishing periods of exposure/experience at an actual work site, to prepare enrollee for career employment;

- Upgrading to assist those curently working by providing them with positions of greater skill, responsiblility, remuneration or career advancement in the company by which they are currently employed;

- Retraining to enable those facing job loss or forced career change to obtain the occupational skills to get work and remain vocationally self-sufficient;

- On-site industry-specific training programs supportive of industrial and economic development;

- o Customized training conducted with a commitment by an employer or group of employers to hire an individual or group of trainees upon successful completion of a course of instruction designed to meet the employers' particular labor force needs; and,

- o Training programs operated by the private sector, including those run by labor organizations or by consortia of private sector employers using private sector facilities, equipment, and personnel to train workers in occupations for which demand exceeds supply. Unions and management often cooperate in such efforts.

7) Transition - This category focuses on helping those who are job ready actually penetrate the labor market and secure employment, and entails activities and services such as:

- o Career guidance;

- o Occupational information;

- o Job search assistance, both individual and group;

- o Self-marketing techniques;

- o Instruction on locating sources of employment, preparing resumes, completing applications, gaining entree to an employer, taking an interview, getting hired, and moving up the career ladder;

- o Job clubs;

- o Job development, creation, restructuring, and elimination of unfounded stereotypes;

- o Placement; and,

- o School-to-work transition projects.

8) Participant Support - This component enables enrollees to take part in JTPA activities and services, and could include:

   - o Supportive services, such as transportation, health care, special services and materials for the handicapped, child care, meals, temporary shelter, financial counseling, and other reasonable expenses required for participation in the program (e.g. bonding and licensing fees), which may be provided through in-kind or cash assistance; and,

   - o Needs based payments, made directly to participants, to provide for general subsistence needs and additional expenses incurred from enrolling and taking part in JTPA programs. Needs based payments are calculated through a locally developed formula which reviews each person's situation on a case-by-case basis.

9) Post Program - Entry or re-entry to the labor market, especially in a highly competitive atmosphere, can make JTPA program terminees uncomfortable and increase the difficulty of adapting to the envrironment of the job site. To help ease the transition, post program activities might encompass:

   - o Follow-up services for participants phased into unsubsidized employment;

   - o Supportive services - lasting no longer than six months - to assist them in retaining their employment; and,

   - o Activities facilitating adjustment to the post program world for recently terminated individuals.

Exemplary Youth Programs

In addition to the activities and resources available to youth under section 204, local SDA's may opt to establish one or more exemplary youth programs to meet the needs of the young people in a comprehensive and flexible fashion. Except for tryout employment authorized under section 205(d)(3)(B), these projects can be modified in the Job Training Plan to accommodate local conditions.

Each of the four exemplary youth programs will be discussed in terms of its general principles, including client group, activities and services, results sought, and related environmental factors, if any, as well as applicable special provisions.

1) Education for Employment Program (EEP):

Client group - In addition to the regular eligibility requirements for Title IIA, this project is restricted to young people who have not attained a high school diploma or who have educational deficiencies despite the attainment of a diploma, with priority given to high school dropouts.

Activites and Services - EEP may provide for the maintenace of a network of learning centers offering individualized or group instruction in convenient locations throughout the SDA, such as schools, neighborhood organizations, libraries, and even mobile vans in rural regions.

Results Sought - The curricula of these centers should be designed to prepare participants to meet state and locally determined general education diploma and basic education competencies requirements.

Special Provisions - In selecting EEP service providers, priority should be given to those who have operated programs of a similar nature, such as previously funded in-school and community based

organization efforts, which are cost effective, of demonstrated success, and otherwise meet JTPA criteria.

2) Pre-employment Skills Training Program (PSTP):

Client group - In addition to youth aged 16 thorugh 21 normally eligible under Title IIA (if specified in the SDA's Job Training Plan) PSTP may include invividuals aged 14 and 15; with priority given to those young people who do not meet established levels of academic achievement and who plan to enter the full-time labor market upon leaving school.

Activities and Services - This project may provide up to 200 hours of instruction in activites and services such as remedial education, labor market information, assessment and testing, occupational counseling, vocational exploration, career decision-making, employability development in seeking and getting work, retaining a position, and becoming upwardly mobile, basic life and survival skills, and job search assistance.

Results Sought - The combination of activities and services should enable youth to complete school sucessfully, if possible, and enter the labor market on a capable, competitive basis.

3) Entry Employment Experience Program (EEEP):

Client group - In addition to the regular eligibility requirments for Title IIA, this project is for youth who;

a) Have completed PSTP or its equivalent; and

b) Have not recently held a regular part-time or summer job for more than 250 hours, (except that this requirment may be waived in accordance with criteria established in the SDA's Job Training Plan); and

c) Are enrolled in a secondary school or an institution offering a certified high school equivalency program and are meeting or have met the minimum academic and attendance requirements of that school or education program during the current or most recent term.

Priority should be given to those young people who do not plan to continue in post-secondary education.

Activities and Services - Three types of entry employment experience programs may be offered, including:

a) Full-time employment opportunities in public and private non-profit agencies or organizations during the summer, and on a part-time basis during the school year in combination with education and training efforts. These work experience jobs should provide community improvements which complement local expenditures.

b) Tryout employment at private-for-profit worksites, or at public and private nonprofit locations when private-for-profit worksites are not available. The length of any assignment to a tryout employment position should not exceed 250 hours, since this time period could enable an employer to evaluate a youths job performance and decide whether or not to hire the individual. These positions should be ones for which young people would not usually be hired because of lack of experience or other barriers to employment. Vacancies in tryout positions may not be refilled if the previous participant completed the episode but was not hired by the employer. Enrollees in tryout employment are to receive "compensation in lieu of wages" for their participation. Section 141(k) stipulates that tryout employment is the only JTPA activity under which there may be

subsidized employment for participants with any private-for-profit business, industry, company, or firm.

c) Cooperative education projects to coordinate educational programs with work in the private sector. This could encompass activities such as work study, distributive education, internships, and experience based career education, as well as linkages to services provided under section 123--the governors' eight percent education set-aside.

Results Sought - EEEP's should provide youth with a solid foundation of prevocational preparation, positive work habits, attitudes, and behavior patterns, world of work awareness, labor market understanding, job exploration and experience, and possibly some training to help them enter the work force and obtain unsubsidized employment with good future prospects.

Special Provisions - Entry employment experiences may be up to twenty hours weekly during the school year or full-time during the summer and holidays, for a total EEEP participation not to exceed 500 hours for any individual. Such episodes should be appropriately supervised, including the maintenance of standards for attendance and worksite performance.

4) School-to-Work Transition Assistance Program (SWTAP):

Client group - In addition to normal youth eligiblility requirements under Title IIA, SWTAP is designed for 1) high school seniors who plan to enter the full-time labor market upon graduation with priority given to seniors in high schools which have a majority of students from families possessing incomes below seventy percent of

the lower living standard income level, and b) school dropouts, with follow-up provided as soon as possible after they leave school.

Activities and Services - SWTAP offerings may include referral to other programs, provision of occupational information, short duration job search assistance, job clubs, job development, placement, and follow-up.

Results Sought - Projects such as this should help ease the transition from school to work, and provide a firmer footing for participants to enter the labor market and achieve self-sufficiency.

Title IIB: Summer Youth Employment and Training Programs (SYETP)

SYETP is funded by Title IIB of JTPA, with the purpose of providing employment and training assistance to young people during the summer months. Economically disadvantaged youth aged 16 through 21 are eligible for the program, unless the SDA's Job Training Plan explicitly states that individuals aged 14 or 15 shall also be able to participate if they meet other acceptance criteria. Allowable activities and services under SYETP include: outreach and recruitment; employability assessment; basic and remedial education; pre-employment training; occupational counseling; work experience; institutional and on-the-job training; job search and job clubs; job referral and placement. Other offerings designed to give employment to eligible young people are allowable, including the support services needed to enable such youth to participate in the program.

Title III: Dislocated Worker Programs

It is possible, although unlikely, that youth will qualify for participation in state dislocated worker programs. Those few young people who meet the Title III eligibility requirements would be able to avail themselves of the following activities and services: job search assistance, job clubs, job development, training in job skills for which demand exceeds supply, supportive services including community assistance and financial and personal counseling, pre-layoff assistance, relocation aid, and programs conducted in cooperation with employers or unions to provide early intervention in the event of plant or

facility closures. These offerings are important, especially since several of them are available under no other JTPA source. Relocation assistance, for instance, can cover expenditures necessary to move to a new abode for the purpose of accepting a long-term job, including cost of the actual transfer of goods and property, travel privilege, emergency assistance, and rent subsidy. Relocation assistance may be furnished if the state determines a) that the young person can not get work within his/her commuting area, and b) that the individual has obtained suitable long duration employment or a bonafide job offer in another area to which he/she must relocate.

SECTION 2

ESTABLISHING YOUTH COMPETENCIES SYSTEMS

The Job Training Partnership Act (JTPA) calls for programs serving youth to have performance standards and measures that will reflect the accomplishment of overall program purposes. Section 106(b)(2)(A) of the Act and 20 CFR 629.46(a) require that attainment of employability competencies recognized by private industry councils be a part of the overall performance standards framework for all participants age 21 and under. Prior to the new law, performance assessment focused mainly on post termination labor market status and activity, with goals such as "75% of all youth leaving the program will enter unsubsidized employment, with 60% of them staying on the job for 180 days." JTPA provides for the expansion of outcomes review to the area of competencies acquired through program participation, and institution of goals such as "75% of all youth will learn to install basic kitchen wiring, with 60% of them attaining an 8th grade reading level required to take the electrician's apprenticeship test." This legislation provides the "crack in the national policy door" through which young people and youth-serving projects can receive credit for marketable skills acquired from intake up to the point of termination. The conversion of emphasis from program processes to the full range of program outcomes promotes accountability, justification of expenditures, the determination of cost-effectiveness, and the dual-focus evaluation of intra program participant gains and post program results.

Youth competencies are important from serveral perspectives. Program performance can be improved. Enrollees can get recognition for progress they make within a project, gain capacities relevant to employer demands, job requirements and entry level qualifications, and improve their access to the primary labor market. At the state policy level, youth competencies can be a major tool in achieving the objectives of the 8% governor's set-aside under Title IIA to: a) establish state education coordination and cooperative agreements, and b) deliver employability enriching services to program youth. They could constitute the substance around which the processes of cooperation and linkage

building would occur naturally. The states might use youth competencies as a basis for making incentive awards, providing required technical assistance, or instituting necessary corrective action under the 6% governor's set-aside. At the state and local levels, the design and institution of a youth compentency system can provide a forum for interaction and a vehicle for collaboration among employers, organized labor officials, educators and vocational training administrators, government and legislative leaders, and practitioners in youth employment and training.

The challenge of setting up such a system is great. It often seems overwhelming, but it can be met, and handled well. However, JTPA's emphasis on competency standards for youth programs places a heavy burden on the local private industry council (PIC) which must determine the competency measures and criteria for the standards. This task lies outside the customary domain of the PIC, and nationwide extensive guidance or technical support is not available at present. Previous experience and research into competency measures or benchmarks has never culminated in a strategic resource document or operational approach readily usable by PICs and service delivery areas (SDAs) in developing full range of competency measures for youth program performance standards. The problem, then, is to reconcile the mandate of the new legislation with the capability of the local PICs and SDAs across the country. Someone must provide the technical support and assistance that will enable these entities to assume their responsibilities with reasonable expectations of success.

A variety of important issues mark the odyssey of youth competency performance standards from a nationally legislated mandate to a locally operational reality designed to fit the different circumstances unique to nearly 600 individual jurisdictions.

Conceptual Foundation

Youth programs under JTPA will seek to improve participants employability and increase their employment prospects. Employability development occurs during the program and instills the capacity to find, obtain, retain, and advance in a

position subsequent to leaving school or training program. Employment entails actual possession of a job and includes earnings and the amount of time worked.

Competency measures are statements of required proficiency in particular congnitive or affective skills which must be demonstrated by program youth. Benchmarking is a means of documenting the acquisition of a comprehensive range of employability competencies in concrete and measurable terms. When a particular level of ability is attained on specific indicators, participants are said to have achieved competency in that area. Local decision makers will determine those indicators that must be achieved to show that the total competency has been accomplished.

There are three major categories signifying the readiness of youth to transition from the program. These competencies are: 1) pre-employment and work maturity skills, 2) basic education skills, and 3) job-specific skills. (Even though there are four areas, the first two have been combined by the Department of Labor for ease of implementation and operations.)

- **Pre-employment skills** include world of work awareness, labor market knowledge, occupational information, values clarification and personal understanding, career planning, decision making and job search techniques. They also encompass survival skills such as using the phone, telling time, shopping, making change, renting an apartment, opening a bank account, and using public transportation. The preemployment measures for a specific locality would represent the best ways for individuals to get and keep a job there, as well as the nature of work opportunities available in that community.

- **Work maturity skills** include positive work habits, attitudes, and behavior such as punctuality, regular attendance, presenting a neat appearance, getting along and working well with others, exhibiting good conduct, following instructions and completing tasks, accepting criticism from supervisors and coworkers, showing initiative and reliability, and assuming the responsibilities involved in maintaining a job. This category also entails developing motivation, obtaining

effective interpersonal relations, coping and problem solving skills, and acquiring an improved self image. The work maturity measures represent the local work ethic as it relates to jobs in the community.

- **Basic education skills** include reading comprehension, math computation, writing, speaking, listening, nonverbal communication, and the capacity to use these skills in the workplace. While general sets of measures in the preemployment and work maturity areas can be applied to participants in all types of work and training activities, basic education benchmarks are directly affected by the nature of specific jobs and careers and their requirements. Thus, the work-related academic skills necessary for setting competency standards are linked to enrollee choices of occupations for training and post-program employment. (Other options for basic education skills measures often discussed are the achievement of a standardized incremental gain, e.g. a two grade reading level increase-per participant from his/her individual starting point at program entry, or attainment of a GED. In this competency area, it is especially important to avoid elitist or exclusionary practices or pitfalls.)

- **Primary job-specific skills** relate to the proficiency to perform actual tasks and technical functions required by certain occupational fields at entry, intermediate or advanced levels. Secondary job-specific skills entail familiarity with and use of set up procedures, safety measures, work-related terminology, recordkeeping and paperwork formats, tools, equipment and materials, and breakdown and clean up routines. As with the basic education category, job-specific skills measures are directly affected by the nature of occupations involved. Therefore, the job-specific skills necessary for determining competency measures are also related to enrollee career decisions. This area probably has the widest variety of implementation alternatives, and may well be the most difficult to set up.

Competency critieria are formulated around functional program related skills and reflect actual learning and achievement, not simply the passage of time. Competency measures should be simply stated, easily understood, practical and attainable, and accurately measurable. Programs are then structured to meet the total employability and employment needs of each youth to the extent permitted by available time and money. Setting competency standards allows programs to be recognized for enhancing the transitional readiness of young people, even where their gains are not accompanied by immediate job placement. Under JTPA, a youth need only be included in those competency categories for which he or she has a learning, knowledge or skills deficit.

Developmental And Implementation Steps

Those variously charged with planning, establishing, administering and overseeing systems for benchmarking the acquisition of youth competencies should be aware of differing roles and responsibilities at different levels. The state perspective will entail facilitating capacities, but not assuming responsibility, for designing and implementing competency based procedures. Those at the local level - PICs, SDAs, and program operators - will be charged with developing the benchmarking process and making it work at the point of client contact. The main actors should seek to coordinate their efforts as much as possible to promote the evolution of substantive competency measures that have commonality and transferability between and among companies, industries, and labor markets. This can only work to the benefit of program clients.

At the local level, competency measures influence and must be accounted for in project plans, curriculum formulation and instructional formats, and design of program mix options. The review and compilation of individual participant competency acquisition and aggregate programmatic impact must be coordinated with targeting and selection functions, assignment to various activities and components, service delivery arrangements, fiscal and management information systems (MIS), reporting and tracking requirements, administrative elements, and operational procedures. In-school and out-of-school variations, client flow and length of participation, staff training, environmental factors,

and maintenance of congruent relationships between other main program segments are major application issues to be considered.

In some instances, the same competency based framework would probably apply to every program operator and contractor within any given SDA. Standardized preemployment and work maturity measures can be used for all modalities. Basic education and job-specific skills benchmarks can apply across the board where groups of participants are preparing for the same career, as in classroom training. However, in activities such as on-the-job training, where enrollees are usually involved in a variety of occupations with different academic and technical requirements, competency measures for basic education and job-specific skills might have to be adjusted to account for the range of vocational preparation required by individual youth. This could conserve money and staff time, maintain project relevancy for young people focusing on particular kinds of employment, and help avoid very real problems in terms of volume and drain on program resources. Such circumstances could influence the flexibility and configuration of the service delivery system, the customization and variety of program offerings, and the standardized/individualized nature of activity options.

It may be helpful to construct a competency based approach from a matrix which includes the requirements of participating youth (separately or by group needs), the competencies to be taught, their sources of acquisition (e.g. different components and project operators), and their means of measurement. Instituting a competency system should be a gradual process, especially for job-specific skills and related basic education capabilities which indicate occupational readiness. Begin with a few demand occupations -as determined by current employment openings and future labor market projections - and see what the results are. By starting small (and slowly), adjustments that need to be made will be manageable. Plan to concentrate on different types of jobs the following year.

Experience has shown that there are discrete steps whose development and implementation influence the successful application of competency measures which can be drawn up by program staff, PIC members outside "experts," or

some combination thereof. In their recommended sequence, these steps include:

- Identify the program goals and participant related learning objectives.

- State the general skill domains appropriate to the intervention, i.e., preemployment, work maturity, basic education, and job-specific skills.

- Specify the competencies, i.e. the broad behavioral statements that flow from the program purpose and desired enrollee outcomes.

- Formulate relevant indicators of successful performance that have predictive validity for each of the competencies.

- Determine programmatic standards of achievement, i.e. benchmarks. Include employers, educators, and labor representatives in these deliberations. This can be a long, difficult consensus-building process involving colloquia, compromise, and collaboration which lead to the desired feelings of acceptance and ownership, and the elimination of entrenched "turf" problems. Major actors should strive to communicate in the same language, with terminology familiar to and understood by all involved parties. Factors related to economic development, occupations demand, present employment opportunities, and projected future openings might be addressed at this juncture, as well as the area's rural, urban, or suburban nature.

- Select measurement instruments and assessment/evaluation techniques such as behavioral observation, simulated situations, mock episodes, product reviews, work samples, oral and written questions, with appropriate attention given to issues of validity, reliability, usefulness, and freedom from content or cultural bias. Take into

account the desirability of assuring maximum objectivity and pertinent intervals of utilization.

- Institute statistical or narrative scoring methods such as checklists, rating scales, weighted factors, and paper and pencil exercises. (Determine the appropriateness of using norming and/or criterion-referenced approaches).

- Decide on the level of performance necessary to meet competency critieria such as 9 out of 10, X%, average quality/quantity of output, test score cut-off point, or position on a curve, as well as duration of time over which a youth should demonstrate mastery.

- Design formats for recording, interpreting and utilizing the pre and post information generated, with appropriate consideration given to use of manual or automated systems depending on local conditions. Ascertain substantiation or documentation needs, as well as client feedback requirements. Try to keep the paperwork load and "shuffle" as light as possible.

- Consider developing a formal certificate that indicates some or all of the competencies gained by program participants. This could be used as an employability profile, product portfolio, job passport, program transcript, or diploma beneficial to youth and acceptable to employers. The document could also be used as a leter of reference or recommendation for employment. Those youth still involved with school might use such a vehicle as a means of obtaining academic credit, if acceptable to local/state education agencies. A certification construct could motivate or possibly reinforce the efforts of young people, gain employer acceptance, and serve as a feeder to a substate MIS designed to access performance standards' credit and fiscal awards.

- Develop a marketing strategy for obtaining legitimacy in the local business and industrial environment for the consumers of project

output. This can be done through a variety of mechanisms including surveys, in-person contacts, and meetings. Improved skills mean little if not recognized by employers as indicative of significant achievement by program participants. The best way to "sell" competency standards is through a proven track record and by turning out solid products, i.e. youth who can really do what the criteria say they can. This would help young people satisfy hiring requirements or fulfill admissions qualifications for apprenticeship programs, further training, military service, or higher education. Such an effort - combined with active involvement in the design of competencies by key private and public sector actors - could encompass strategies designed to make entry criteria relevant and reality based, instead of artificial and possibly overly exclusive or discriminatory. One way to gain local acceptance, assure quality control, get people involved, and achieve change would entail inviting employers, educators, training facility representatives, and armed forces recruiters to participate in evaluating samples of youth who program operators say have attained PIC recognized competencies.

- Ascertain numbers, types and expertise of personnel necessary, degree of staff training required, division of labor required - by position and function, logistics and costs involved, materials, space and time called for, institutional linkages and organizational support needed.

- Prepare to overcome staff resentment and insecurity. Benchmarking can be used as a means of staff evaluation and institutional accountability. Program staff may begrudge the extra work entailed or feel that their positions are threatened. If these individuals are to take part actively in the benchmarking process instead of simply "going through the motions", they must be convinced that the investment of time and self will benefit both participants and themselves. (There are also considerations of "teaching to the test" and instructors benchmarking their own

students.) In addition, young people must understand, "buy into," and not be afraid of a compentency based system in order for it to work. Project and personal relevancy should be made clear, as much as possible, to a clientele of increasingly "program-wise" youth.

- Field test and validate these new approaches, making refinements based on adjustment of curriculum and training activities, advancements in learning technology, changes in labor market trends and projections or occupations with growth potential, satisfaction of employer requirements, and relationships between benchmarking and post program employment success.

In many cases, structural or systemic modification will, of necessity, preceed instituting a substantive competency based approach to programming for youth. This would be most pronounced in those jurisdictions not used to this concept or mode of operation and management.

Operational And Management Assistance

The employment and training system is breaking fresh ground. New pathways will need to be forged for applying competency performance standards to youth programs in hundreds of service delivery areas across the country. The first nine-month program period will be the time frame for PICs and SDAs to develop their competency criteria and prepare their program staff to implement these procedures. During that period, states should consider making an adequate base of technical support available to their localities. Such assistance might consist of several phases including:

- Formulation of concepts and definition of terms;
- Promulgation of working practices and procedures;
- Production of appropriate materials;
- Delivery of training and technical assistance and dissemination of materials; and,
- Determination of the impact of the technical support efforts.

Phase 1: Formulation of Concepts and Definition of Terms.

The first phase entails establishment of the conceptual framework that will guide the development of the technical support. This calls for close collaboration among the major actors, and might involve efforts to:

- o Focus on the evolution of benchmarks in the major competency areas;
- o Examine the formulation of performance standards from national, state, and local perspectives; and,
- o Explore the important relationship between the growth of benchmarking and the utilization of competency based curricula.

Phase 2: Promulgation of Working Practices and Procedures.

It is necessary to study carefully the programmatic considerations associated with development of competency measures and standards. Such activities would:

- o Analyze the implications for and impacts on program operators and service deliverers resulting from implementation of the benchmarking process, especially in terms of fiscal, personal, temporal, spatial, and material costs;
- o Address the matter of phasing in performance standards and benchmarking, including national, state and local time lines, FY 1984, 1985 and 1986 objectives, and rationale for incremental applications;

- o Devise guidelines for use of enrollee data, including adherence to confidentiality requirements;

- o Determine the relationship of benchmarking to other main program factors, particularly project structure and content, participant screening, multi-level employability development planning, consolidation, sequence, and continuum of services; and,

- o Consider the effect of environmental elements, i.e. state education laws and regulations, child/youth labor provisions, community support, local economy, business-industrial mix, available training facilities, existing program quality, and staff capabilities.

Phase 3: Production of Appropriate Materials.

At this juncture, materials such as guidelines, handbooks and "how to" manuals might be developed. Efforts could be undertaken to:

- o Access and review all available program practitioner and knowledge development sources, especially the "state of the art" in benchmarking activities;

- o Review relevant literature;

- o Prepare a directory of available resources and personnel;

- o Suggest strategies for obtaining employer involvement in developing criteria;

- o Review curricula, instructional formats, and instrumentation and measurement techniques for documenting participant accomplishments;

- o Assist in establishing MIS elements, report forms, and data collection mechanisms necessary for successful implementation;

- o Identify effective marketing methods;

- o Facilitate the transfer of technology from other fields, i.e. competency based instructiuon, private sector job classification and task analysis, apprenticeship certification, occupational licensing, educational credentialing, and performance contracting; and,

- o Produce training packages, including case studies, problem solving exercises, and learning aids.

Phase 4: Delivery of Training and Technical Assistance and Dissemination of Materials.

Subsequent to their preparation, these materials could be disseminated as part of a concerted effort featuring the provision of comprehensive training and technical assistance. Components of such an approach could be designed to:

- o Conduct a needs survey on the type of help required, and the best ways to deliver this aid;

- o Prepare and conduct conferences, seminars, and training modules for state personnel, SDAs, PICs, local education agencies, and program operators;

- o Provide on-site, written and telephone technical assistance as needed and requested;

- o Supply program models and descriptions of innovative benchmarking approaches;

- o Furnish an initial menu of competency benchmarks for local adoption or revision;

- o Arrange and conduct roundtable discussion of key youth competency items, with individuals and organizations experienced in the devel-

opment and implementation of benchmarking systems helping those who are less experienced;

- o Function as information exchange, clearinghouse for documents and publications, and brokering desk for area-to-area referral of state and local experts; and,

- o Promote means - such as non-profit computer corporations - for SDAs, PICs, local education agencies, and other program operators to acquire and use discounted hardware and software on a volume basis, with eventual ownership established through amortization of costs.

Phase 5: Determination of the Impact of Technical Support Efforts.

This task is necessary to confirm the effect and benefits of the technical support effort. Relevant activities would focus on the formulation of state level procedures for general oversight, monitoring, and review, as well as the development of mechanisms for the award of earned incentive funds, or the institution of corrective action steps, if necessary.

IN CONCLUSION

Youth competencies are in a number of other sections in JTPA, in addition to Section 106. They are operating under the "entry employment experience program" which requires that participating youth "have completed preemployment skills training or its equivalent" (preemployment category) and "are meeting or have met the minimum academic and attendance requirements of (their) school or education program during the current or most recent term" (basic education). During operation of this exemplary youth program model (which encompasses try-out employment), young people "shall be appropriately supervised including the maintenance of standards of attendance and worksite performance" (work maturity and job-specific skills). In addition to these provisions under Section 205, Section 4 states that no academic credit for education, training, or work experience applicable to a secondary school diploma, a post-secondary degree, or an accredited certificate of completion

can be awarded without being "consistent with applicable State law and regulation and the requirements of an accredited educational agency or institution in a State." Section 141 (o) further provides that education programs for youth under JTPA must be "consistent with applicable State and local educational standards".

It is pivotal to utilize FY 1984 as a transition period to develop and field test competency measures, prepare technical assistance guides, and deliver training to those charged with making the new system work better for participants and employers. Many of the new elements are complicated and may be difficult for even highly motivated SDAs to assimilate and implement. Unless the technical support needed by the PICs is available, the progressive move toward competency based program standards is hindered.

All involved parties should attempt to build upon what has already been done and utilize/adapt all existing resources. We do not need to "reinvent the wheel." There are many instances where benchmarking has been successfully instituted, including the Vocational Exploration Demonstration Project, the Consolidated Youth Employment Program, the Job Corps, the Career Opportunities Program, the Skill Center Advanced Training and Employment Program in Hampden County, Massachusetts, the Vocational Competency Measurements Project, the National Occupational Competency Testing Institute, the Ohio Trade and Industrial Education Achievement Tests, the National Institute of Automotive Standards of Excellence, the Adult Performance Level Testing Program, the Career Passport Project, Experienced Based Career Education, the New York State External Diploma Program, and the Comprehensive Competencies Program (CCP).

Advanced learning technology has evolved the concept of open entry/open exit computer managed instruction which encompasses an integrated program of carefully sequenced pre tests, skill level designation and learning needs identification, lesson prescription and assignment based on individual requirements and pace, post tests and determination of subject mastery, tracking of

participant progress by class, subject module, or teacher, and indication of competency achievement. CCP Has matriced and indexed thousands of computer, paper and pencil, and audiovisual materials, as well as a variety of experiential episodes. Some states and localities are exploring the option of setting up non-profit corporations to facilitate the access of equipment, hardware and software, and other learning aids, with centralized purchasing used to achieve volume discounts and service delivery investments which can be amortized over a period of years.

However, it takes a long time to set up a benchmarking system and it is important to deliberate carefully before committing to a final design. Our colleagues in the field of competency based education have been at it for years, and doing well. They stand ready to help, along with those from vocational-technical institutes, proprietary schools, business training departments in the private sector, basic education, alternative education, and GED programs in the public sector, apprenticeship projects, occupational licensing boards, and collaborative labor union work preparation courses. Such resources are generally available in most localities. Whether they are offered as fiscal, public relations, political, or alternative incentives, it is important to involve them in the partnership, build the needed coalitions, and begin to move forward in documenting participant achievements, thereby proving that program youth are indeed employable and job ready.

SECTION 3

PROGRAM MANAGEMENT AND ADMINISTRATION

The change from CETA to the Job Training Partnership Act (JTPA) has brought with it a shift not only in service delivery systems but also in acountablility and administration. The states now have the primary responsiblility for insuring adequate management systems, reporting and recordkeeping, as well as for distributing the funds among SDA's.

This shift in responsiblility has brought with it a change in operating procedure. Governors have the authority to exercise their discretion and are provided with many more options in interpreting programmatic issues and functions. This is also the case when the focus is on the management and administrative end of the law. Governors' offices may issue regulations and policy guidance for SDA administrators and planners. State legislatures may become involved in JTPA by also issuing the same types of directives.

If the administrative matters of JTPA are not clearly interpreted and understood, the programmatic features will fail. Most of the management issues under JTPA have clear programmatic implications. These issues will be determining factors in the types of clients to be served as well as the types of services to be provided.

The funds for JTPA are distributed by formula from the Department of Labor to the states and by formula by the governor to the SDAs. Both formulas are basically the same:

- 33 1/3% based on the relative number of unemployed in areas of substantial unemployment in each state compared to that number for all states (or in each SDA compared to all SDAs);
- 33 1/3% of the excess number of unemployed in each state compared to all states (or in each SDA compared to all SDAs)

and;

- o 33 1/3% of the relative number of economically disadvantaged in each state, compared to all states (or in each SDA compared to all SDAs).

Of the funds distributed to the governor from DOL, 78% must be distributed among the SDAs. Of the remaining 22% - 3% is for programs for older individuals; 5% is for the governor's administration; 8% is for grants to education; and 6% is for incentive grants and technical assistance to service delivery areas.

As most of us have discovered, JTPA is much less prescriptive than CETA. Many interpretations and definitions are left for governors or up to state law. It is important to remember that state law can supersede federal law if it is more prescriptive than the federal law. Under CETA it was not likely in many instances that state law would be more restrictive than the federal law, but under JTPA it is probable that a greater number of state laws may apply. As a program operator or planner it is important when administrative questions arise to look at your states Administrative Procedures Act and/or other state regulatory practices for the possible answers.

Management Issues

This section will discuss a "laundry list" of management issues of which JTPA administrators and planners at all levels must be aware to operate effective and accountable youth programs under JTPA.

The Private Industry Council, in partnership with the local elected officials (LEO), will choose - in the PIC/LEO agreement-a grant recipient and administrative entity for the SDA. These can be the same, two separate entities, or a third party. The grant recipient is charged with the responsibility of accounting, oversight and day-to-day operations. All contractors are known as subrecipients.

As we have noted previously, the governor is responsible for insuring adequate

management information systems, reporting and record keeping. The Secretary of Labor will hold the governor responsible and accountable and the governor holds the subrecipient liable. This arrangement does not preclude DOL from auditing an SDA or subrecipient nor from directly imposing sanctions.

There are three categories that programs must use to charge costs. They are:

- o Training;
- o Administration; and
- o Participant Support.

Seventy percent (70%) of the funds must be spent on training activities with thirty percent (30%) remaining for administration and participant support. A program may not exceed 15% for administration but may obtain a waiver from the Governor to increase the participant support category. It is not likely that many SDAs will ask for waivers on the 15% participant support. However, some states have limited the amount of funds available for administration to all SDAs within the state, independent of support service spending.

Within the 15% for participant support, JTPA allows for needs-based payments. These payments can be cash assistance to participants if the payment is based on a formula which is individual and locally developed. The governor provides instruction on how to document the formula within the SDA. The regulations state that the documentation must, at the least, include an individual record of determination of the need and amount.

Some SDAs have developed a formula that provides all participants with some minimal amount of assistance. The rationale for "individual need" is that since they are economically disadvantaged and in the program, they are in need of cash assistance. Other SDAs have excluded participants from needs based payments if they are receiving some other source of cash assistance (i.e welfare, social security, etc.) Still others have not as yet developed any formula to provide assistance.

In any case, the amount of assistance to be provided will probably not be the

motivating factor for participants. Programs will have to rely on other sources of assistance as well as creative recruitment methods and program designs to help those participants most in need enroll in and complete training programs. While administrative costs can not exceed 15%, these costs may be pooled within a service delivery area for all programs. This can only be done at the discretion of the governor and based on requirements set forth by the governor.

Seventy percent of a programs' funds must be spent on training. There is no option for a waiver. Training costs include:

- o Job search assistance;
- o Job development;
- o Employer outreach;
- o Training personnel costs;
- o Remediation;
- o Job related counseling;
- o 50% of the cost of limited work experience (section 108(b) 3 of JTPA); and,
- o Up to 250 hours of tryout employment (section 205(d)(3)(B) of JTPA).

Administrative Provisions

- o Employment generating activities are not an allowable training cost and if done must be charged within the 30%.

- o Except in very few clearly identifed circumstances in the law, public service employment is not an allowable activity.

- o SDAs/PICs may not purchase insurance policies against federal debt with funds under this Act.

- o Insurance on personal liability for PIC members and local elected officials is an allowable cost.

- Any income generated by a program may be kept by the program unless the governor has required that it be turned over to the state.

- Program generated income may be used to meet the education (8% funds) match requirement.

Summer Youth Employment

At the time of this writing, the percentage of costs for summer youth employment were 85% of the funds for training and participant support and not more than 15% for administration.

The Job Training Partnership Act provides an automatic income disregard for youth in summer jobs under this part so as not to make families receiving cash assistance ineligible for three months.

A rule was issued by DOL in the March 20, 1984 Federal Register, which clarified the JTPA summer regulations on three issues. The three points were:

- At what point in time costs may be incurred for the summer program;
- How such costs may be paid prior to the receipt of summer funds; and,
- How the 45 day eligibility limit should be handled.

With regard to the first issue, DOL's position is that costs may be incurred subsequent to the receipt of state and SDA allocations.

On the second issue, a state may establish a policy that would allow the use of other resources (including JTPA Title II-A funds) to pick up these costs as long as they are paid back once summer money is received.

Regarding the 45 day enrollment period, DOL states that it is not inconsistent with the regulations if all eligible summer applicants are enrolled within the 45 day period into a summer enrollee pool. A new application would not be

necessary for indivduals selected from the pool. SDAs would have 45 days to enroll a participant in the enrollee pool. The issuance states that an enrollee pool is only appropriate for the summer program.

Eligibility

As noted in the definition, a handicapped youth is not automatically eligible regardless of family income (automatic eligibility was the case under CETA). The Secretary of Labor has informed the governors that they may include a handicapped youth in the economically disadvantaged definition in effect considering them a family of one, if the governor chooses to do so.

Programs must enroll a participant within 45 days of filling out an application and certifying the participant as eligible for the program. If a participant has not started within the 45 day time frame, a new application must be processed. This is an important point, given fewer administrative dollars and the administrative costs of certification a second time. (See Summer Youth Employment section in this Chapter for related information).

The law provides a ten percent (10%) "window of eligibility". Young people who have other barriers to employment and are not economically disadvantaged can be served within this provision. Employment barriers include, but are not limited to: adolescent parents; ex-offenders; handicapped; and ex-substance abusers. The law also provides that equitable services must be provided to high school dropouts. This means that SDAs must provide services for dropouts proportionately as they exist in the general population.

Finally, the law states that all males who are of age to register for the draft must do so to be eligible for services under the Act. The regulations state clearly that recipients of funds are responsible for insuring that draft age males have registered if services are being provided from program funds. This requirment has implications for intake procedures, application forms, and the certification process. The Department of Labor has issued a field memorandum, (No. 3-84, dated October 7, 1983) outlining options for meeting this requirement. None of the options outlined guarantees that a grantee would not be audit excepted and responsible for disallowed costs.

As with other provisions under this Act, where there is no clear and definitive procedure, but rather the procedure is left up to states, we recommend that whatever the process your state/SDA decides upon, that the procedure is clear and in writing and has received the sanction of the governor.

FIXED UNIT PRICE CONTRACT

The term "performance contract" appears nowhere in JTPA nor in its implementing regulations. However, you will find an acknowledgement of this long accepted method of contracting in the JTPA regulations at 20 CRF Section 629.38, Classification of Costs, as follows:

> (e)(2)Costs which are billed as a single unit charge do not have to be allocated among the several cost categories but may be charged entirely to training when the agreement:
>
> (i) Is for training;
> (ii) Is fixed unit price; and
> (iii) Stipulates that full payment for full unit price will be made only upon completion of training by a participant and placement of the participant into unsubsidized employment in the occupation trained for and at not less than the wage specified in the agreement.

The foregoing subsection is the reason for the dramatic shift from cost reimbursement contracting to performance contracting. Under JTPA, the grant recipient (a local agency designated by the State to receive federal JTPA funds) is not allowed to expand more than 15% of its grant on administration costs nor more than 30% on administration plus client support costs, and must spend at least 70% on training costs. Virtually every program will have administrative costs and many will have client support costs.

A program operated on a cost reimbursement contract basis must allocate its costs into the three JTPA cost categories: administration, support, and training. The administrator must then charge these reimbursements to its own similar cost categories. In order to reduce the expenditure of its limited administration funds and, usually to a lesser extent, its support funds, the administrator will desire to enter into a performance contract which qualifies under Section 629.38(e)2. The administrator will then pay only for successful performance

which will be measured in units of performance for which a single unit charge will be paid for each successfully performed unit.

For example, a contractor agrees to train and place clients into unsubsidized training-related occupations at the agreed upon wage for $1000 for each client. The administrator then pays the contractor the single unit charge of $1000 for each unit successfully performed and charges the entire amount to its training cost category. This is so even though the contractor incurred administration costs in operating its program and possibly support costs to or on behalf of the clients.

Thus, a contractor who is willing to assume some risk is allowed to document its performance rather than its costs as the basis for payment. Accepting risk is central to the concept of contracting based on performance. It is in direct contrast to the practice so prevalent under CETA of simply reimbursing an operator for its costs incurred in operating a program with often significantly less emphasis on successful performance.

Comparison of Contracting Modes

To understand unit price performance contracting, it helps to compare the system to cost-reimbursement contracting. The basic characteristics of the two types are as follows:

- Cost-reimbursement Contract
  - Payment based on allowable costs incurred as documented by the program operator
  - Line-item budget for cost control, program monitoring, and audit
  - Costs allocated among the cost categories (training, administration, client support, etc.)

- Performance Contracting
  - Partial payment based on the number of training units completed
  - Full payment made only if the client completes training and is placed in training-related job at a predetermined wage

- No line-item budget required
- Unit prices may be charged entirely to training

A U.S. Department of Labor handbook defines a performance contract as "any contract...in which payment is made for performance or achievement of goals and/or in which payment is withheld for non-performance." Only the performance contracts that pay to train and placeclients in training-related jobs at specified wages qualify for this reduced accounting requirement. But performance contracting can be a cost-effective tool even when the contract does not qualify for this reduced accounting requirement. For example, at least one delivery area has used performance contracts for employment generating services with positive results. But because the contract was not for training (it was based on fixed unit costs, in that case, the number of jobs generated), an allocation of costs among the categories was necessary. The point here is that advantages of performance contracting go far beyond simplifying bookkeeping. As will be seen, the administrator may perceive a number of managerial advantages to using a performance contract even though the criteria spelled out in Section 629.38(3)2 cannot be met.

Measures of Performance

The number of clients placed in training-related employment is perhaps the most common measure of JTPA performance, but you can also use other measures of performance to which dollar values can be attached, such as:

- o Positive terminations
- o Attainment of ABE or GED certificate
- o Completion of part or all of a classroom curriculum
- o Attainment of PIC recognized Youth Competencies
- o Jobs generated
- o Direct placements (not necessarily training related)

Contracts can mix these or other units and each may be assigned a dollar value, either as an individual unit or as aggregate levels of achievement.

PROS AND CONS OF PERFORMANCE CONTRACTING

Before signing a performance contract, you should consider whether the product of the program is meaningfully quantifiable. While it is possible to express any outcome in numerical terms, the difficulties of validating such numbers (for example, the number of units of job counseling) at some point outweigh the advantages inherent in the format. Once you have determined that a particular contract is indeed quantifiable, however, you can weigh all the advantages and disadvantages of performance contracting before committing yourself to this system.

Advantages

Relief From Cost Limitations

Perhaps the most commonly cited advantage of performance contracting to JTPA program sponsors is that it allows the administrator higher costs in certain categories than is generally permitted in Section 629.38 of JTPA regulations. If the contract meets requirements of 629..38(e)(2)(see page III-35), all costs associated with a given program may be charged to training. This provision can reduce costs charged to both administration and participant support costs. In the recent Field Memorandum No. 61-83 (Change 3), April 6, 1983 addressing various questions on JTPA implementation, the Department of Labor reaffirmed that needs-based payments or other cash assistance to participants can be included as part of the "single unit charge" defined under 629.38(e). Note, however, that although limits on costs are reduced, other restrictions on payments to individuals, such as attendance and documentation requirements, remain in effect.

Shared Risk

A fundamental advantage of the performance format is that, unlike cost-reimbursement or unit-cost contracts, the program operator has a financial stake in the outcome of the program. There are penalties for poor performance and incentives for good performance. For example, a public sector training agency may not be able to cover any financial loss incurred through substandard performance. You might, therefore, guarantee enough reimbursement to cover the costs of the

program by basing payment on units of training offered and then include additional payments as incentives for placement. This way the public agency is insured against loss and still motivated to achieve the best possible results to increase its revenues.

When dealing with private sector training agencies, such as local proprietary schools or national training contractors, the sponsor must recognize their need to make a profit. Although a private contractor generally will have the resources to cover any financial loss due to inadequate performance, the contract should not simply cover its costs if successful. A contractor that performs according to expectations is entitled to some return on its investment of time and resources, i.e., an opportunity for profit if the program is successful. Commonly, an administrator will estimate programmatic costs and ensure that those costs will be covered if performance is "reasonable". Performance that exceeds "reasonable" will result in a profit, and that which falls short will bring a loss.

Cost Containment

Unlike cost-reimbursement and most kinds of unit-cost contracting, a performance contract may pay nothing if the program fails. If a proprietary school goes bankrupt without completing a training or placement obligation, the program sponsor will save substantial funds; under a cost reimbursement contract, the program sponsor would have to pay whatever costs the school incurred before it closed regardless of results.

Limited Red Tape

Performance contracting reduces reporting and record-keeping requirements. Since these contracts contain no line-item budget, costs do not have to be tracked and audited by line item. Thus the need to maintain source documentation for all expenditures by line item and category is eliminated, a particularly important advantage during the audit process. With less back-up documentation to cover, audits can be substantially cheaper and faster.

Where a service provider is working under several different contracts simultaneously, performance contracts eliminate the time-consuming process of maintaining cost

allocation plans. Those plans often require each staff person to keep track of how much of time he or she spends on each of several programs. Employers who agree to provide training often prefer to keep salaries and other internal financial considerations confidential. The fact that this information may become a matter of public record has discouraged some employers from providing government funded employment and training services. Performance contracts allow this confidentiality.

Realistic Proposals

Under a cost-reimbursement system, the service provider takes no risk if it inflates the estimated cost of services in a proposal. Under CETA, many prime sponsors received training proposals from agencies which, while experienced in working with a specific client group, had rarely provided cost-effective job training. The knowledge that all costs connected with any training program would be reimbursed encouraged many agencies to compete for these funds even when there was little likelihood of program success.

Contract competition usually requires bidders to project the number of clients they are likely to place. The competition, added to the knowledge that under a cost reimbursement arrangement all costs will be covered, encourages optimistic projections that the job training administrator may find difficult to assess.

Performance contracting, on the other hand, encourages realistic projections of performance. If a contractor fails to achieve the projected performance, it may incur a serious financial loss.

Focus on Results

Performance contracts focus on ends rather than means. Job training administrators who use this form of contracting have observed that, when they used a cost-reimbursement system, much of their energy went to managing their accountants reviews rather than their service results. An administrator in Oregon who converted a summer youth employment program to a performance contract remarked that it was the first time he had ever considered how the benefits of that program might be improved.

The financial incentives in performance contracting encourage service providers to concentrate on the services rather than just the budget. To avoid losing money, providers must help clients to complete training, be placed, or otherwise succeed. This may require new approaches, more personal attention to clients, or other efforts. In general, performance contracts bring significant improvements in service quality when the contract includes even a small incentive for performance. The focus on results rather than process seem to liberate the practitioner from rigid traditional approaches and enables the practitioner to plan a program based primarily on the nature of the employment problem.

Improved Results

The most important reason for using performance contacts is to improve performance. While no studies have been done on whether and to what extent the use of these contracts does improve results, it is certainly true that most of the local employment and training administrators now using them believe that performance has improved.

In a survey of a number of job training administrators, all felt that the format had positively affected overall performance. In the Buffalo area, for example, the three CETA prime sponsors and the Buffalo and Erie County Private Industry Council have been shifting away from cost reimbursement to performance contracting in recent years. Even in an area suffering from severe economic distress, performance contracting has improved placement rates. In Philadelphia the CETA prime sponsor converted to performance contracting in 1981 and saw a 45 percent improvement in placement rates within a year. The available evidence indicates clearly that the use of appropriate financial incentives significantly improves results.

Disadvantages

The disadvantages of performance contracting are primarily psychological in nature. They center on two concerns, both of which can create problems for the job training administrator:

- A public training agency may fear that if its program fails to reach its performance goal, it will be unable to recover its cost, even if the agency is not at fault.

- In departing from the line-item budget, administrators fear losing fiscal control over their programs.

Cost Recovery

Many public agencies not experienced in providing service under a performance contract view this kind of arrangement primarily as a mechanism for penalizing them if the results of the program are less than satisfactory. But a contract with a public sector vendor (which usually brings some cost savings due to shared public resources) can be structured to virtually guarantee that all costs of the program are covered. The key is to view the contract not as a penalty for nonperformance but as a reward for optimal performance. In this way the savings of dealing with public sector agencies can be combined with the benefits of performance contracting in the same program.

Budget Control

Calming an administrator's concern about giving up fiscal control over a program is somewhat more difficult. It is certainly true that converting to a performance format requires the administrator to give up some budget control. The issue of cost control vs. results control must be faced squarely by each individual administrator..

One way of viewing the issue is to compare what control over costs vs. control over results "buys" for the job training administrator. In focusing primarily on the costs of a program, the administrator is one step removed from the desired end: placing clients in training-related jobs. Simply monitoring costs will not result in successful training or placements.

To focus on the output of a program, however, is to face the question of how, in an operational sense, results will be optimized. This requires the administrator to examine a program's strategy and look for ways to improve it. Because of the vast array of possible approaches, it is important that the sponsor and the service provider

be motivated to spend some time and energy on designing a good strategy. The question of how to minimize the cost of the endeavor then becomes a secondary (though important) matter.

Administrators using performance contracts might request bidders to estimate a line-item budget. Such a budget would be used as a basis for judging reasonableness of cost but should not be included in the contract itself.

Incentive Structures

The incentive structure of performance contract is the framework of rewards and sanctions. It should be designed to provide the maximum possible financial motivation for strong performance consistent with the continued fiscal viability of service provider. An administrator will have to consider carefully how the proposed incentives affect the contractor. For example, if you place as much or more weight on retention as on placement, the contractor may hesitate to make certain placements for fear of losing a retention incentive payment. If a high proportion of the budget (enough, possibly, to permit a profit) is paid for training completion the contractor may have little incentive to place the graduates. The development of the system of incentives is the real art of performance contracting, and as with any form of art, each case is different and should be approached on its own merits.

The two basic questions about the incentive structure in a performance agreement are how strong the incentive (and thus how high the risk) should be, and how it should be designed so as to obtain the best results.

Strength of Incentives

The job training sponsor and the service provider have diametrically opposed interests. The first prefers a system that provides no payment until long-term, training-related placement is achieved for each client. The service provider, on the other hand, seeks a low-risk system whose payments are based on training time more than on placements.

Both of these approaches have serious disadvantages. If too much of the service provider's fee is withheld until all goals are achieved, the program becomes

inordinately risky from the contractor's point of view. Even if the job training administrator can sell a provider on this kind of arrangement, he may have to bail out the program with a modification midway to avoid default. The opposite approach, with little risk and incentive, may be very comfortable from the contractor's viewpoint, but it provides little financial incentive to produce results.

A reasonable compromise between the two interests is the most common approach and probably works best. Usually the greater portion of the program budget is paid for the relatively "safe" parts of the work, such as:

- o Hours of completed instruction
- o Employability plans developed
- o Firms contacted
- o Completion of training
- o Attainment of youth competency

In order not to put too much risk on the service provider, the small portion of the budget is paid for the relatively "risky" things like:

- o Jobs generated
- o Placements
- o Retention
- o Completions of GED

Here is an example of a relatively low-risk program:

Payment for client employability development plans (15 @ $100)	=	$ 1,500	5%
Payments for student completions (10 @ $3,000)	=	30,000	93%
Payments for placements (5 @ $100)	=	500	2%
TOTAL		$ 32,000	

The following arrangement is much riskier from the contractor's point of view:

Payment for client employability development plans (15 @ $100)	=	$ 1,500	5%
Payment for student completions	=	18,000	55%
Payment for placements (10 @ $1,250)	=	12,500	40%
TOTAL		$ 32,000	

Structuring the Incentives

How you structure your incentive system can determine, sometimes in unforeseen ways, the behavior of the service provider. Here are some possible approaches:

- Lump sum payments when contractor reaches a pre-determined goal. While this system has the advantage of saving the job training administrator a lot of money if slightly substandard performance occurs, it can, at the margin, exert enormous financial pressure to graduate the last one or two clients or to get the last one or two placements, and thereby invites abuse. Another problem with this system is that, once the required goal is reached, there is no incentive to do more.

  A lump-sum agreement might look like this:

  At completion of the first training cycle and placement of 15 graduates, the contractor shall receive payment in the amount of $10,000.

- Flat payment for each unit. This approach provides some security for providers nervous about not making a given goal, since they are almost certain to bring in some revenue. There is a payment for every unit at each performance level up to the amount of the contract.

  For example

20 training enrollments	@	$ 500	=	$ 10,000
15 completions	@	2,000	=	30,000
10 placements	@	500	=	5,000
		TOTAL		$ 45,000

- Graduated systems. Payment amounts can be fine-tuned using percentages, point systems, and the like to encourage a higher quality product. Systems like this can be used to encourage higher entry-level wages and longer retention.

  Here is a graduated incentive structure

50 training completions	@	$ 2,000	=	$ 100,000
10 placements $4.00-4.49/hr.	@	925	=	9,250
10 placements $4.50-4.99/hr.	@	975	=	9,750
10 placements $5.00-5.49/hr.	@	1,025	=	10,250
10 placements $5.50 +/hr.	@	1,075	=	10,750
		TOTAL		$ 140,000

The incentive payment structure forms the framework which financially motivates the contractor to perform.

Escape Clauses

To what extent should the job training program hold a contractor harmless in the case of unforeseen events? The question of which party should bear the risk for such things as national emergencies, epidemics, acts of God, etc. has occasionally entered into performance contract negotiations. Given the rarity of such occurences, this issue is not a major concern. Common approaches for addressing this include partial payments for partial completion of units of performance and guarantees of minimum payment on the contract. It is important, in discussing escape or re-opener provisions, to distinguish between inability to perform due to external factors, or inability to perform due to poor management of the program.

CHAPTER IV

EXPANDING PROGRAM OPPORTUNITIES

SECTION 1

COORDINATION REQUIREMENTS IN JTPA

Coordination ranks high as a priority under JTPA because of the emphasis on state systems and the value of coordination in building those systems. Moreover, coordination holds promise of being a workable concept and coordination plans promise to be more enforceable because of certain statutory requirements under JTPA.

JTPA includes explicit coordination language to drive both horizontal coordination--meshing functions at the same level of government-and vertical coordination--meshing functions among levels of government, putting governors in a pivotal role in each case. Specific requirements concerning in the Act are as follows:

Title I

- Coordination Criteria--Section 121(b)(1) requires the governor to establish criteria for coordinating activities under the Act with programs and services provided by state and local education and training agencies. Agencies listed as example are: public assistance agencies, the employment service, rehabilitation agencies, post-secondary institutions, economic development agencies, and other agencies.

- State Education Coordination--Section 123(a)(1) requires cooperative agreements between the state education agency or agencies, SDAs and, where appropriate, local education agencies (LEAs) to facilitate the activities under the 8% set-aside.

- Training Older Workers--Section 124(b) requires the governor to coordinate activities under the 3% set-aside with PICs and local elected officials, public agencies, non-profit private organizations and private business concerns.

- o LMI Programs--Sections 125 and 462 require that federal, state and local LMI systems be coordinated.

- o SDAs in Single Labor Market Area-- Section 104(b)(8) requires that if there is more than one SDA in a labor market area, the SDAs must coordinate by jointly (1) assessing labor market needs, (2) ensuring access by program participants in each SDA to skills training and employment opportunities throughout the entire labor market area, and (3) implementing job development, placement and other employer outreach activities.
- o SJTCC Review of State Agency Plans--Section 122(b)(8) requires the SJTCC to review all state agency plans providing employment and training activities and provide recommendations and comments to the governor, state legislature, state agencies and appropriate federal agencies.

Title III

- o Title III--Section 306 requires that a state coordiante Title III programs with labor organizations. Section 308 requires that states coordinate Title III activities with all programs mentioned in 1 above under Section 121, and with low-income weatherization/energy conservation programs and social services.

Title IV

- o Title IV--The various sections require coordination of federal training activities under this title with state activities under the other titles.

Title V

- o Wagner-Peyser Act--Section 501 amends the Wagner-Peyser Act to require, among other requirements for changing the labor exchange system, that the federal and state employment service system coordinate with the job training system. Section 7 (b)(2) of the

Wagner/Peyser Act requires certain expenditures of the 10% governor's set-aside to take place in the context of state-local agreements.

- o Work Incentive Programs--Section 502 require that the WIN program coordinate its activities with the JTPA job training activities.

Educational Linkages

One of the most important partnerships under JTPA is between the employment and training system with the education system. This partnership is especially important with the increased attention on job preparation, youth competencies, and the transition from school to unsubsidized work. Educators will be involved, by mandate, in the development and implementation of programs under the 8% governors' set aside. The legislation encourages linkages beyond the mandate and recognizes the importance of education to successful training for employment. To promote cost effectiveness and efficiency, improved client results and community impact, reduction of fragmentation, and elimination of waste, educators should also have a key role in the formulation and operation of projects for youth, dislocated workers, older workers, welfare recipients, school dropouts, and other groups requiring special assistance. The education community possesses knowledge and skills that could greatly enhance the efficiency of employment and training efforts across the board. In additon, much more is known about educational improvement, outcomes, and what works best for whom from years of research and demonstration projects. However, collaboration and cooperation between the two systems have been thwarted for years by turf problems, differences in legislative emphasis and traditional funding sources, different governance structures, nonparalled planning cycles, dissimilar terminology, and mutual misconceptions. For JTPA to reach its full potential, it is critically important that these barriers be broken down and bridges be built. This needs to be done on a national, state, and local basis.

With in the past decade the National Committee on the Reform of Secondary Education, the President's Science Advisory Committee and the Carnegie Council on Policy Studies in Higher Education have made several recommendations for in-school programs:

- o School curriculum should be expanded to include onsite work experiences for every student.

- o Community advisory councils should be involved with schools in planning and implementing career education programs.

- o High school vocational training programs might be de-emphasized in favor of increased on-the-job training.

Identified several barriers to coordination:

- o Overall lack of program designed to introduce and familiarize students to the world of work.

- o Lack of corporate involvement in formal work-study programs.

- o Slow changes in public policy at the state, local and federal levels.

- o School attendance laws which are prohibitive to innovative work experience designs.

And benefits:

- o Employers are likely to perceive a benefit to working with schools and therefore are more likely to become involved with them rather than other organizations.

- o Companies may prefer programs for in-school youth as opposed to youth who are perceived to be higher risk.

If firms are contemplating cooperative and collaborative involvement in a school to work transition project for youth, the following recommendations should be considered:

1. Attempt to get the local Chamber of Commerce involved-many of the country's most successful programs have Chamber support.

2 Survey the local busines community to determine who is willing to offer what in the way of people and resources.

3. Be willing to free employees to spend time in the schools.

4. Insist that teachers be involved in planning and conducting activities.

5. Study what other businesses and communities have done to build upon past successes and avoid reinventing the wheel.

6. Understand that involvement will not result in a quick solution for problems in the local school system, long, hard and patient work is required.

7. Work on a school-by-school basis at first, rather than trying to so something district wide all at once.

If educational institutions are considering taking part in a school to work transition project for students that is to be coordinated with the private sector, the following suggestions should be kept in mind.

1. Secure the support of the superintendent of schools and local school board.
2. Survey the schools in the district to determine what is needed and desired.
3. Be willing to free people to work with the business community.
4. Assure that teachers are involved from the beginning in planning and implementing programs.
5. Find out what other schools have done and adapt their successful concepts and procedures to local circumstances.
6. Do not expect student achievement or employability to increase quickly and dramatically; the fruits of any new initiative take time to become evident.

7. Ask for people and material resources from business, which already supports the educational system financially through taxation.
8. Be willing to let outsiders in and students out.
9. Develop functional collaboration on a school by school basis.

The following recommendations can help facilitate private sector involvement in these programs, thereby providing the assistance needed to overcome some of the obstacles:

1. Increase the credibility and visibilty of employment and training programs in the business community. Companies have apprehensions about trainee quality, motivation, work habits, attitudes, absenteeism, and lack of basic academic and vocational skills. Firms are more likely to become aware of and drawn to these programs if their views are taken into account in planning activities, setting up goals and standards, and evaluating performance. Evidence of and publicity about realistic, successful performance evaluations, high placement rates in upwardly mobile occupations and growth industries, and cost-effective operations are common sense and reliable means of attracting private sector involvement.

2. Make effective use of other organizations as intermediaries. Business organizations can help publicize the program amorg employers. They often arrange placements and on-the-job training slots with various companies, and can make a major contribution in establishing the program's crediabilty among members of the private sector. Such business organizations include economic development groups, chambers of commerce, and local offices of the National Alliance of Business as well as business members of local Private Industry Councils (PICs) under the Job Training Partnership Act.
3. Strong incentives afford employers the opportunity to participate in the program. Employment programs sponsors and employers are more likely to cooperate with one another where there is an emphasis on the economic advantages to employers for becoming

involved. Tax credits present a way of attaining this goal while minimizing the necessity for formal contracts, extensive reporting, burdensome record keeping, and similar procedures that act as disincentives. The Targeted Jobs Tax Credit (TJTC) legislation passed in 1978 enables employers to hire persons who are members of designated handicapped or disadvantaged target groups and thereby receive tax credits for percentages of their wages paid during the first two years of employment. To receive TJTC benefits, employers must hire individuals certified by an appropriate government agency as members of one of the target groups (See Appendix E).

4. Local employment and training programs need to be adapted to the requirements of their area and community if they are to succeed in attracting employer involvement. In growth regions, local JTPA efforts can be utilized in economic development programs because the presence of their training capacities can serve to assure firms moving into the locality that a trained work force will be available to them when production commenses. Securing the participation of business and industry often entails special tailoring of training programs to meet the needs of local employers. The employees benefit from training which is directly related to their production requirements. The trainees benefit from the prospect of employment following realistic training which makes use of the advanced technology actually operating in the industry. The programs that make a systematic effort to identify the occupations and companies offering good opportunities for their training, and then adapt to the employers' needs, are taking steps likely to yield a return in greater private sector involvement.

One suggested approach to coordination is series of colloquia for policy makers and practitioners from both the employment/training and education systems to

effect improved working relationships and disseminate materials; foster mutual understanding of each other's needs, structure, offerings, and constraints;

conduct training and limited face-to-face technical assistance; facilitate awareness of benefits which one system can derive from the other, and develop the ability to apply this understanding in their own localities; and, build state and local networks--formal and informal--to continue the interaction and collaborative planning made possible by this project.

The differences between this type of colloquium and past efforts are pivotal. This undertaking will not emphasize the process of coordination, but rather substantive issues of mutual concern and interest around which linkages can occur naturally. Topics organized around the theme of serving the disavantaged would include such policy, programmatic, and functional subject areas as:

- Youth competencies;
- Curriculum development, advanced learning technology, and instructional methodology (e.g. computer assisted and computer managed instruction);
- Exemplary youth projects, such as "education for employment" and "school to work transition assistance programs";
- Job skill training;
- Private sector involvement, industry/work education councils, adopt-a-school, junior achievement, entrepreneurship, and introducing school personnel to the workplace;
- Training and education in business and industry;
- Community and junior colleges;
- Career development, experience based career education, internship, cooperative and distributive education;

- o Bilingual and literacy training;
- o Academic, basic and remedial education;
- o Occupation information, counseling, and guidance;
- o Vocational exploration;
- o Basic life and survival skills;
- o Employability development planning and client flow management;
- o Communication skills; and
- o Service delivery system options and alternatives.

A variety of formats and techniques could be used, including plenary sessions, panels, workshops, seminars, small group discussions, problem solving exercises, audiovisual and lecture presentations, policy review, and descriptions of model programs. Each colloquium would have a multi-state focus, and involve participants from a wide variety of jurisdictions and organizational entities.

This innovative multi-state approach and accessing of national, state and local expertise would maximize--not duplicate--the utilization of resources, and offer one possible intervention strategy for the available funds. The capabilities gained from participating in this colloquium could be transferred to other states and localities by formal and informal communications channels, a proceedings report and collection of source documents, and possible replication of the process in the future.

SECTION 2

MARKETING YOUTH PROGRAMS TO THE PRIVATE SECTOR

Planning innovative, effective programs is a good start, but, unless they are marketed to the private sector, you will be neglecting a critical step ... results. The bottom line in JTPA is business involvement and private sector placement. Marketing is the key.

Marketing must be a thoughtful, conscious process requiring a plan. The most effective marketing plans are those that are developed in conjunction with planning for management and program design. Marketing is an integral function of the overall planning process.

If we think about our organizations as business, where we fill the demand for labor by supplying trained, productive workers, it becomes clear that our responsibility to our clients (youth) is not only to provide training, but to also give them access to the private sector. That access is dependent upon our ability to educate and inform employers about and involve them in youth programs. We are asking them to "buy" or "buy-into" our product and hire our youth. This concept defines employers as the customer and has some important implications for marketing.

There are basically three components to marketing youth programs:

- o Sales;
- o Promotion and Advertising; and,
- o Public Relations.

SALES

Sales refers to the presentation of a specific product or service. In employment and training, the concept of sales has been most widely used in job development. The following steps will help guide your sales strategy:

1. Decide What To Sell

   Based on your goals and objectives, are you selling

productivity? Employer involvement? Consider the range or types of involvement you can market, including financial contributions, planning and curriculum assistance, loaned personnel or equipment and, of course, jobs.

2. Know Your Product

Be articulate about the advantages and benefits your product offers. Present a positive image and emphasize your competitive edge. Also be prepared for skeptics and offer them proof of your effectiveness (track records, testimonials, statistical reports.)

3. Do Not Sell What You Can Not Deliver

Be realistic about your product and most importantly, be sure of the quality. High quality means well-planned, well-managed programs which are carried out effectively. If employers have expectations you cannot meet, their disappointment will likely cause you to lose that customer.

4. Communicate

Articulate clearly what you have to offer and make sure the employer understands to avoid misunderstandings. Speak the language employers speak --plain English. Avoid the use of confusing acronyms or phrases. The Job Training Partnership Act is a partnership, so communication should be two-way. Don't be afraid to ask employers what they can do for you. Using loaned executives to assit you is an effective marketing approach.

5. Create Ownership

By involving employers early in the planning process you can build a sense of ownership which translates into support.

6. Recognize and Reward

One of the most important and commonly overlooked steps is demonstrating your appreciation and thanks to companies and organizations that have contributed to your program. Recog-

nition can be given in a number of ways:

- o Certificate awarded by the program
- o Breakfast or luncheon to honor businesses
- o Published lists of contributors in the newspaper, organizational brochure, etc.
- o Local media announcements

Promotion And Advertising

Promotion and advertising are methods to creatively publicize information about your product or services. The most common promotion and advertising technique is the use of mass media -- television, raido, newspapers and magazines.

The key to promotion and advertising--regardless of the medium--is to keep your message simple and direct. For the visual media, it also helps to develop an approach that is attractive and catches the eye.

If you have worked through the sales steps, you have identified what you want to sell.

In advertising and promotion you need to decide who you want reach. The answer to this question will help you choose the appropriate strategy.

There are many way to get information out to your target audience, including:

- o Public Service Announcements (Radio and TV);
- o News stories (Radio, TV and Newspaper);
- o Brochures, flyers, letters sent to a targeted group or mass mailings;
- o Press conferences;
- o Advertisements in newspapers and magazines; and,
- o Special Events such as telethons, job fairs, contests, etc.

Many organizations hesitate to try certain marketing approaches because of the perceived high cost involved. Of course, an important part of the marketing plan is to assess your resources -- both staff and financial. To considerably cut costs, do not overlook the resources of your private industry council and

business community. Many organizations have been able to secure free or low cost marketing with the following assistance from business:

- o Brochure layout and/or printing;
- o Reproduction of print items;
- o Distribution of print materials;
- o Access to broadcast media (talk shows, air time);
- o Using loaned executives as account executives;
- o Sponsoring breakfasts, luncheons, other events; and
- o Donations of equipment.

Public Relations

This component of marketing addresses projecting a positive image to the community. In part, it encompasses program management. Maintaining good public relations with businesses means regular contact and follow-up, particularly if you are already doing business with them. The other side of the coin is letting the community know about the good things you are doing. This can be accomplished by speaking on public forum talk shows, addressing meetings of the Chamber of Commerce and other local groups and getting feature or news stories published in local newspapers.

Marketing youth programs is a creative and exciting activity, but, more importantly, marketing helps to ensure that your program goals are met. Remember, the bottom line in JTPA is private sector involvement in a partnership. Marketing helps to acheive that and generate greater business support.

APPENDICES

APPENDICES

APPENDIX A:	Field Memorandum # 3-84 (Selective Service)
APPENDIX B:	Alternative Methods for Determining Percentage of JTPA Funds to Be Expended For Youth
APPENDIX C:	Job Training Partnership Act Annual Status Report (JASR)
APPENDIX D:	Youth Competencies Resources and Benchmarking Exercise
APPENDIX E:	Marketing Resources
APPENDEX F:	Program Design Options for Non-Stipened Programs
APPENDIX G:	Program Models
APPENDIX H:	Training agenda
APPENDIX I:	Sample Fixed Unit Price Contracts
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Appendix A

U.S. Department of Labor

Employment and Training Administration
601 D Street, N.W.
Washington, D.C. 20213

30 SEP 1983

Mr. William R. Rushton
Office of Governor George C. Wallace
State Capitol
Montgomery, Alabama 36130

Dear Mr. Rushton:

Section 504 of the Job Training Partnership Act (JTPA) requires that all participants receiving any assistance or benefits under JTPA who are required to register with the Selective Service System pursuant to the requirements of the Military Selective Service Act must be registered. Section 629.1(b) of the regulations implementing Titles I, II and III requires recipients to ensure that individuals enrolled in JTPA programs meet the requirements of Section 3 of the Military Selective Service Act.

For your information, on June 29, 1983, the Supreme Court granted an application to stay the order of a U.S. District Court Judge who had held the registration requirement to be unconstitutional. The case before the Supreme Court does not address employment and training programs, but is similar because it requires registration as a prerequisite to receiving education loans.

Although the Supreme Court's order is not a decision on the merits, it has the effect of upholding the validity of the registration requirement until the Court rules on the merits next term. Therefore, even though the constitutionality of this provision remains unsettled, we believe that there is no legal basis to delay the implementation of Section 504.

We have developed the enclosed Technical Assistance Guide with the cooperation of the Selective Service System to assist you in developing procedures to implement this requirement.

If you have any questions on this matter, please call (202) 376-7240.

Sincerely,

Joyce A. Kaiser

JOYCE A. KAISER
Associate Assistant Secretary
for Employment and Training

Enclosure

U.S. DEPARTMENT OF LABOR Employment and Training Administration Washington, D.C. 20213	CLASSIFICATION TD
	CORRESPONDENCE SYMBOL OCET
	DATE October 7, 1983

DIRECTIVE : FIELD MEMORANDUM NO. 3-84

TO : ALL REGIONAL ADMINISTRATORS

FROM : ROYAL S. DELLINGER
Deputy Assistant Secretary for
Employment and Training

SUBJECT : Implementation of Section 504 of the Job Training Partnership Act

1. Purpose. To transmit a guide to assist States in developing procedures to implement Section 504 of the Job Training Partnership Act (JTPA).

2. Background. According to Section 504 of JTPA, all participants receiving any assistance or benefits under JTPA who are required to register with the Selective Service System pursuant to the requirements of the Military Selective Service Act must be registered. Section 629.1(b) of the regulations implementing Titles I, II, and III requires recipients to ensure that individuals enrolled in JTPA programs meet the requirements of Section 3 of the Military Selective Service Act.

Attached is a letter to JTPA State liaisons from Joyce A. Kaiser that transmits a technical assistance guide presenting options for developing procedures to implement this requirement.

3. Action Required. Regional Administrators are requested to provide copies of the technical assistance guide to appropriate staff.

4. Inquiries. Direct questions to Barbara DeVeaux on 376-7852.

5. Attachment. Letter to State liaisons (with enclosure).

RESCISSIONS	EXPIRATION DATE October 30, 1984

DISTRIBUTION

JOB TRAINING PARTNERSHIP ACT
SECTION 504

U.S. Department of Labor
Employment and Training Administration
Office of Comprehensive Employment and Training

September 1983

Purpose

This Technical Assistance Guide (TAG) is intended to provide information to Governors and Title IV Grantees regarding the Military Selective Service Act (MSSA) and the mandate of Section 504 of the Job Training Partnership Act (JTPA). It contains the legislative requirements under both Acts, procedures for registration, and suggested options for implementing Section 504. These options are suggested ways that the requirement may be implemented primarily through adding one or more steps to application procedures subsequent to eligibility determination.

Information for this TAG has been coordinated with the assistance of the Selective Service System with the hope that it will contribute to the expeditious implementation of Section 504 of JTPA.

PART ONE

Job Training Partnership Act Requirements

I. Background

Section 3(a) of the Military Selective Service Act requires that male citizens of the United States, and other male persons residing in the United States, who are between the ages of eighteen and twenty-six must present themselves for registration at such time or times and place or places, and in such manner, as determined by the President. Proclamation 4771 of July 2, 1980, provides that male persons born on or after January 1, 1960, and who have attained their eighteenth birthday (without attaining their twenty-sixth birthday) shall register. The requirement to register does not apply to any alien lawfully admitted to the U.S. as a nonimmigrant under Section 101(a)(15) of the Immigration and Nationality Act as long as he continues to maintain a lawful nonimmigrant status in the United States.

Section 504 of the Job Training Partnership Act (JTPA) requires that all participants under JTPA be in compliance with the Military Selective Service Act registration requirement. Governors for Titles I, II, and III, and grantees for Title IV, will need to address this requirement after the determination of eligibility for all male persons entering JTPA programs, on or after October 1, 1983.

Requirements under the Job Training Partnership Act

1. Legislative: Section 504, Enforcement of Military Selective Service Act, states that:

"The Secretary shall insure that each individual participating in any program established under this Act, or receiving any assistance or benefit under this Act, has not violated Section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not presenting and submitting to registration as required pursuant to such section. The Director of the Selective Service System shall cooperate with the Secretary in carrying out this section."

The above requirement applies to all programs under the Job Training Partnership Act under Titles I, II, III, and IV.

2. Regulatory: Implementing regulations for programs under Titles I, II, and III of JTPA were issued March 15, 1983. Section 629.1(b), General Program Requirements, requires that recipients ensure that an individual enrolled in a JTPA program meets the requirements of Section 3 of the Military Selective Service Act.

   Section 632.77(d)(3) of the implementing regulations for Indian and Native American Programs, authorized by Section 401 of JTPA, requires Native American grantees to maintain documentation to insure the credibility of the eligibility determination, including compliance with Section 504 of the Act.

   Section 637.107(c) of the regulations governing programs for migrant and seasonal farmworkers, authorized by Section 402 of JTPA, requires that "to be eligible for participation, individuals shall meet the requirements of Section 504 of the Act."

PART TWO

Options for Meeting Job Training Partnership Act Requirements

Several options are available in carrying out responsibilities under Section 504 of the Act and the corresponding sections of the regulations implementing Titles I, II, III, and IV of JTPA. This section is intended to outline these options. Keep in mind, however, that it is not meant to present a comprehensive inventory of all of the available means of implementing Section 504 and the relevant sections of the regulations. The decision on which option(s) should be employed will be made at the State or, in the case of Title IV, at the grantee level.

Important factors to keep in mind are that:

- The Employment and Training Administration does not guarantee the legal adequacy of any of the proposed options discussed in this TAG. The options are merely suggested methods of implementation based on consultations with the Selective Service System.

- The Governor/Grantee may be held liable subject, of course, to the forgiveness criteria set forth at 164(e) for disallowed costs associated with enrollment of participants who are not in compliance with the requirements of Section 3 of the Military Selective Service Act.

As with other JTPA requirements, the Governor/Grantee is responsible for procedures followed in carrying out requirements related to Selective Service registration. These procedures will be the basis against which compliance with Section 504 of the Act and with the relevant sections of the regulations will be audited. Therefore, in order to avoid questioned costs, it is recommended that the procedures be:

- clearly communicated in writing;
- Simple, uncomplicated and easily implemented; and
- monitored periodically to ensure that they are being implemented properly and consistently.

Procedures for Implementing Section 504

Options for determining compliance with Section 504 range from self-certification after eligibility determination with verification of a sample of participants to requiring verification from the Selective Service System prior to the provision of services. Note that simple self-certification is not presented as an option because the author of Section 504 of the legislation transmitted a letter to the Secretary advising that implementation of this provision should not include simple self-certification. Regardless of the approach chosen in implementing Section 504, standardized forms should probably be designed (or application forms revised) to record information on registration under the Military Selective Service Act, and standardized instructions developed for reviewing and verifying the information provided on these forms.

1. Determining Compliance. The following are three options for determining whether or not participants have complied with Military Selective Service Act requirements:

   - Self-Certification With Sample Verification
   - Verification of Registration Prior to Enrollment
   - Self-Certification Followed by Universal Verification

o Self-Certification With Sample Verification. Under this option, participants would certify in writing that they are not in violation of Section 3 of the Military Selective Service Act, after being determined eligible for enrollment under JTPA. At some future date, program officials will verify registration through a random sample of participants. The Department of Education (DOE) is currently using this option, with verification over a three year period. This option was chosen because many colleges and schools expressed concerns about the methodology for 100 percent registration verification set forth in the proposed rule published on January 27, 1983 (48 FR 3920). The advantages of this option are its simplicity, and that it provides additional time for recipients to develop verification systems. The disadvantage of this option is that it leaves the recipient vulnerable because verification may, in some instances, take place after the participant has left the program.

o Verification of Registration Prior to Enrollment. Under this option, each participant required to register with the Selective Service System would show his Registration Acknowledgement Letter before receiving services in any JTPA program. The advantage of this option is that program officials are certain at the time of enrollment that the participant has complied with the Military Selective Service Act requirements. The disadvantages of this option are: (a) it would penalize individuals who turned eighteen shortly before applying for JTPA who had registered but had not yet received a Registration Acknowledgement Letter (it may take up to 90 days for a registrant to receive an Acknowledgement Letter; therefore, a system requiring verification prior to the provision of services may delay the participation of otherwise eligible individuals); and (b) it would hamper efficient program operations particularly in the summer youth program, because of the limited duration of the program.

- Self-Certification Followed by Universal Verification. Under this option, the participant would self-certify compliance with the Military Selective Service Act, and provide a copy of his Registration Acknowledgement Letter subsequent to enrollment. In view of the delays that could be involved through requiring verification prior to provision of services, a system combining self-certification with follow-up verification should be considered to avoid this problem. The advantage of this option is that, by clearly spelling out the procedure beforehand, and promptly terminating participants who do not meet verification requirements, audit exceptions can be minimized. The disadvantage of this approach is that it may inflate the program's nonpositive termination rate.

2. Documenting Compliance: Suggested Options for documenting compliance with Section 504 are fairly simple and straightforward.

   - Include on Regular Intake Form: The application form could be designed to include a section dealing with Selective Service Registration information. The specific information that would be required here would depend on the procedures developed to implement Section 504. If the procedures require verification prior to provision of services, the intake worker would indicate on the application form the registration number from the participant's Acknowledgement Letter from the Selective Service System or attach a copy. If the procedures require only self-certification, the application form might include questions designed to determine whether the individual is required to register with the Selective Service System, and whether or not he has in fact registered. Upon signing the form, the participant would be certifying that the information provided is correct.

   - Develop Separate Form: A separate form could be developed that would be filled out only by male participants born on or after January 1, 1960, who are at least 18 years old. This form could state the requirement of the Military Selective Service Act and follow the same procedures as outlined above.

- Maintain Acknowledgement Letter: A copy of the Registration Acknowledgement Letter could be a part of the official file of a participant required to register with the Selective Service System. (This would be an option only if the procedures for enforcing Section 504 included the requirement that participants produce a copy of the Acknowledgement Letter.)

Where to Obtain Additional Information: For additional information on Selective Service Registration contact:

Selective Service System
Registration Information Office
P.O. Box 4638
North Suburban, Illinois 60198

PART THREE

Military Selective Service Act Requirements

o Who must register

-All male citizens of the United States and other male persons residing in the country born on or after January 1, 1960, who have attained their eighteenth birthday.

-Aliens who are permanent residents

-Aliens who are refugees and parolees

-Aliens who are undocumented (illegal)

-Civil Air Patrol Members

-Discharges/Separatees from Active Service (Veterans)

-Dual Nationals

-Enlistees, Delayed Entry Program

-Men Disabled or Handicapped

-Men rejected for enlistment

-National Guardsmen and reservists not on Active Duty

-ROTC Students

-Men who are hospitalized, incarcerated or institutionalized (within 30 days of release)

0 Who is Exempted from Registration

-Males born prior to January 1, 1960

-Legal, Nonimmigrant aliens

-Cadets and midshipmen at the service academies

-Men hospitalized, incarcerated, or institutionalized (must register within 30 days of release)

-Men on active duty in the Armed Forces

-Military Officer Procurement Program students at the Citadel, North Georgia College, Norwich University and the Virginia Military Institute

-Females

o When to Register

-Males must register within 30 days of their eighteenth birthday, either before or after

-Late registration is accepted by Selective Service

o Where to Register

-Registration can be completed at any classified U.S. Post Office

-U.S. Citizens living outside of the U.S. may register at any U.S. Embassy or Consular Office

-Registration hours are the business hours during the days of operation of the particular U.S. Post Office or Foreign Post

o Procedures for Registration

-Registrant obtains blue and white Selective Service System Registration Form(SSS Form 1) at any U.S. Post Office

-Registrant fills in his name, current mailing address and permanent address (if different), telephone number, date of birth and Social Security number

-The registration form, with some identification, such as a driver's license or birth certificate, is given to a postal clerk who checks it for completeness

-The registrant signs and dates the registration form

-The postal clerk validates the registration form with the Post Office cancellation stamp and forwards it to Selective Service

-Registrant will not receive a draft card

-Selective Service will, within 90 days of registration, send the registrant written confirmation that he has registered. This is called the Registration Acknowledgement Letter (SSS Form 3A or 3AS) (See sample letter in Attachment A)

-Should the registrant not receive an Acknowledgement Letter within 90 days of registering, he should send a letter including his name, address, date of birth, and Social Security number to: Selective Service System; Registration Information Office; P.O. Box 4638; North Suburban, Illinois 60198 (A sample letter of request has been provided in Attachment B to facilitate receipt of the Acknowledgement Letter)

-Should the registrant receive an Acknowledgement Letter that has any incorrect information, he must correct the information on the Correction/Change Form (SSS Form 3B, enclosed with the Acknowledgement Letter), or fill out a yellow Selective Service System Change of Information Form (SSS Form 2), available at any U.S. Post Office, and return to Selective Service. (Sample copy of SSS Form 3B in Attachment C)

-Should a registrant lose or not keep his original Acknowledgement Letter, he should write a letter including his name, address, date of birth and Social Security number to: Selective Service System, Registration Information Office, P.O. Box 4638, North Surburban, Illinois 60198 (A sample letter of request has been provided in Attachment D to facilitate receipt of a copy of the Acknowledgement Letter. A copy should be received in 2 to 3 weeks.)

-Registrant must update the information provided to Selective Service every time he changes his current mailing address or permanent address. This includes informing Selective Service of his current school address, even if the home address remains the same.

-Registrant must report to Selective Service any legal name change. To update any information, the registrant changes in the information on the Correction/Change Form (SSS Form 3B), enclosed with the Acknowledgement Letter, or fills out a yellow Selective Service System Change of Information Form (SSS Form 2), available at any U.S. Post Office, and returns to Selective Service.

-When information is updated by the registrant, Selective Service will send the registrant a new Acknowledgement Letter showing the updated information as proof of registration.

-For additional information or questions regarding Selective Service registration, contact the Selective Service At: Selective Service System, Registration Information Office, P.O. Box 4638, North Suburban, Illinois 60198, telephone (312) 689-9022.

-For posters explaining registration requirements, contact the Office of Government and Public Affairs, Attention: Public Affairs Director, National Headquarters Selective Service System, Washington, D.C. 20435, telephone (202) 724-0790.

For additional information on Job Training Partnership Act requirements, contact: Office of Employment and Training Programs, Employment and Training Administration, Department of Labor, 601 D Street, N.W., Room 6402, Washington, D.C. 20213, telephone (202) 376-7240.

ATTACHMENT A

SELECTIVE SERVICE SYSTEM

ACKNOWLEDGEMENT LETTER

SEPTEMBER 7, 1982

LINDSAY CALVIN JOHNSON
RT 1 FALL BRANCH RD
BLOUNTVILLE, TN 37617

60-0000212-7

Mail Correction/Change
Form to:

Selective Service System
Great Lakes, Illinois 60066

Dear Mr. Johnson,

This letter shows the current information in your Selective Service record and should be kept as evidence of your registration.

Please read every item in your record, especially those with asterisks (**). If an item is incorrect (like your date of birth), include the correct information on the attached CORRECTION/CHANGE FORM and return the form to Selective Service. It is your legal responsibility to notify us of any errors within ten days after receipt of this letter.

The law requires you to notify Selective Service of any changes in your current or permanent address, or any legal name change, within ten days of the date of the change. The law also requires that you provide your social security account number to Selective Service. Failure to do so could result in legal action. If you do not have a social security number you do not have to get one for registration purposes.

TO NOTIFY SELECTIVE SERVICE OF CHANGES IN YOUR RECORD, YOU MAY USE EITHER THE ATTACHED CORRECTION/CHANGE FORM OR THE CHANGE OF INFORMATION FORMS WHICH ARE AVAILABLE AT ANY U.S. POST OFFICE OR OVERSEAS AT AN AMERICAN EMBASSY OR CONSULATE.

If your record is complete and all items shown are correct, please keep this letter and attached form for future use.

Thank you for your cooperation.

(Special note for Hispanic registrants) Si usted desea que esta carta u otra información le sea enviada en español, marque el encasillado en el formulario incluído.

(DON'T FORGET VOTER REGISTRATION.....REGISTER LOCALLY TO VOTE IN THE NEXT ELECTION)

60-0000212-7	431-35-6054	M	05-16-61	301*423-2684	01-05-82
Selective Service No	Social Security No.	Sex	Date of Birth	Telephone Number	Date of Record

NAME

LINDSAY CALVIN JOHNSON

CURRENT MAILING ADDRESS	PERMANENT ADDRESS
RT 1 FALL BRANCH RD Number and Street	RT 1 FALL BRANCH RD Number and Street
BLOUNTVILLE TN 37617 City State Zip Code	BLOUNTVILLE TN 37617 City State Zip Code

OMB-3240-0003
SSS Form 3A(Dec81) Keep this copy for your record

ATTACHMENT B

REQUEST FOR REGISTRATION ACKNOWLEDGEMENT LETTER

Send this form to:

Selective Service System
Registration Information Office
P. O. Box 4638
North Suburban, Illinois 60198

I registered with Selective Service about 90 days ago but did not receive my Registration Acknowledgement Letter.

This is the information I put on my registration Form:

Name: _____ (last) _____ (first) _____ (middle)

Date of birth: _____ (month) _____ (day) _____ (year)

Social Security Number: _____

Address: _____

_____

_____

Approximate date I registered: _____

Please send the Acknowledgement Letter to the address below.

_____
signature

_____
date

Send my Acknowledgement Letter to:

_____

_____

_____

ATTACHMENT C

SELECTIVE SERVICE SYSTEM

CORRECTION/CHANGE FORM

MAIL CORRECTION/CHANGE FORM TO:

Selective Service System
Great Lakes, Illinois 60086

1. This form may be used to correct information on your registration acknowledgement or to make any future changes in your registration record.
2. Make corrections on any information shown below that is incorrect, particularly information with asterisks (**) next to it.
3. To make a correction, cross out the incorrect information, write in the correct information, sign and mail this form to Selective Service in the enclosed envelope.
4. DO NOT use this form to submit additional information about yourself. If such information is needed, we will contact you. If you have questions about the Selective Service System, write the Registration Information Bureau, National Headquarters, Washington, D.C. 20435.

(Special note for Hispanic registrants) Si usted desea que esta carta u otra información le sea enviada en español, marque este encasillado. ☐

Signature of Registrant _____ Date _____

0-0000212-7	431-35-6054	M	05-16-61	501/423-2684	01-05-82
Selective Service No	Social Security No.	Sex	Date of Birth	Telephone Number	Date of Record

NAME

LINDSAY CALVIN JOHNSON

PRESENT MAILING ADDRESS		PERMANENT ADDRESS	
RT 1 FALL BRANCH RD		RT 1 FALL BRANCH RD	
Number and Street		Number and Street	
BLOUNTVILLE	TN 37617	BLOUNTVILLE	TN 37617
City	State Zip Code	City	State Zip Code

8-3240-0003
S Form 38 (Dec81) Return this form to correct your record

ATTACHMENT D

REQUEST FOR A COPY OF THE REGISTRATION ACKNOWLEDGEMENT LETTER

Send this form to:

Selective Service System
Registration Information Office
P. O. Box 4638
North Suburban, Illinois 60198

I need a copy of my Registration Acknowledgement Letter to prove that I am registered with Selective Service.

This is the information I put on my Registration Form:

Name: _____ (last) _____ (first) _____ (middle)

Date of birth: _____ (month) _____ (day) _____ (year)

Social Security Number: _____

Address: _____

_____

_____

Approximate date I registered: _____

Please send the Acknowledgement Letter to the address below.

_____
signature

_____
date

Send the copy of my Acknowledgement Letter to:

_____

_____

_____

APPENDIX B

ALTERNATIVE METHODS FOR DETERMINING PERCENTAGE OF JTPA FUNDS TO BE EXPENDED FOR YOUTH

JTPA and the DOL Regulations require that 40 percent of Title II-A funds be expended for services to eligible youth. However, based on state and local area ratios of disadvantaged youth to disadvantaged adults relative to the national ratio of disadvantaged youth to disadvantaged adults, the 40 percent figure can be increased or decreased.

Section 630.1(b)(2) of the JTPA regulations sets forth one method for computing the local adjustment factor -- dividing the SDA ratio of economically disadvantaged youth to economically disadvantaged adults by the national ratio of economically disadvantaged youth to economically disadvantaged adults and multiplying by 40 percent. The national ratio is 22.93 percent.

In SDAs with universities or other institutions with large numbers of youth, this method has resulted in the requirement that most of the Title II-A funds (in some cases up to 100 percent) be expended on services for youth. JTPA and the regulations allow the governor to provide for alternative methods to develop the local adjustment factor. States with SDAs facing this situation have therefore sought an alternative methodology, and one such approach is offered in the next section.

Local Adjustment Factors:

One alternative method of computing the youth expenditure rate could be based on the national youth to adult expenditure requirement (40 percent youth to 60 percent adults) as adjusted by the SDA to national disadvantaged youth to disadvantaged adult ratio. Using this alternative, the adult expenditures (AE) and, conversely, the youth expenditures (YE) can be "algebraically" determined. These are factors which are necessary to determine the corresponding dollar allocation rates. This adjustment method is based on the area ratio (AR) of youths to adults to the national ratio (NR) of youths to adults and allows the computation of adult expenditures, and hence youth expenditures, and related percentages through the formula outlined below.

Formula:

- oo Youth Expenditures + Adult Expenditures = Total Expenditures
- o Youth Expenditures = $\left(\frac{AR}{NR} \times \frac{40}{60} \times \text{Adult Expenditures}\right)$
- o Total Expenditures = $\left(\frac{AR}{NR} \times \frac{40}{60} \times AE\right) + AE^*$

[*Element to be "algebraically" determined is adult expenditures (AE)].

oo AE Rate $= \frac{\text{AE}}{\text{Total Expenditures}}$

oo AE Rate $= \frac{\text{AE}}{\text{Total Expenditures}}$

The following example should help clarify the application of this procedure.

Example - The objective of this sample problem is to find the adult and youth expenditures -- AE and YE -- and the corresponding allocation rates with an AR of youth to adults of 36.50 percent and a total anticipated grant expenditure of $1,000,000, using the steps outlined above. (Remember that the NR is always 22.93).

1) $\left(\frac{36.50}{22.93} \times \frac{40}{60} \times \text{AE}\right) + \text{AE} = \$1{,}000{,}000$

2) $(1.59 \times .667 \times \text{AE}) + \text{AE} = \$1{,}000{,}000$

3) $(1.0605 \times \text{AE}) + \text{AE} = \$1{,}000{,}000$

4) $1.0605\ \text{AE} + \text{AE} = \$1{,}000{,}000$

5) $2.0605\ \text{AE} = \$1{,}000{,}000$

6) $\text{AE} = \frac{\$1{,}000{,}000}{2.0605} = \$485{,}319$

7) $\text{YE} = \$1{,}000{,}000 - \$485{,}319 = \$514{,}681$

8) $\text{AE} = \frac{485{,}319}{\$1{,}000{,}000} = 48.5\%$

9) $\text{YE} = \frac{514{,}681}{\$1{,}000{,}000} = 51.5\%$

In this example, the adult expenditure constitutes 48.5 percent of the total funds available, while the youth expenditure amounts to 51.5 percent of the $1,000,000 grant.

* Written and distributed by the National Governors' Association.

Appendix C

OMB Approval No. 1205-0211

U.S. DEPARTMENT OF LABOR Employment and Training Administration JTPA ANNUAL STATUS REPORT	a. STATE/SDA NAME AND ADDRESS	b. REPORT PERIOD From To

I. PARTICIPATION AND TERMINATION SUMMARY	TOTAL ADULTS (A)	ADULTS (WELFARE) (B)	YOUTH (C)	DISLOCATED WORKERS (D)
A. TOTAL PARTICIPANTS				
B. TOTAL TERMINATIONS				
1. Entered Unsubsidized Employment				
a. Entered Registered Apprenticeship Program				
b. Entered Armed Forces				
2. Youth Employability Enhancement Terminations				
a. Entered Non-Title II Training				
b. Returned to Full-Time School				
c. Completed Major Level of Education				
3. All Other Terminations				

LINE NO.	II. TERMINEES PERFORMANCE MEASURES INFORMATION		TOTAL ADULTS (A)	ADULTS (WELFARE) (B)	YOUTH (C)	DISLOCATED WORKERS (D)
1	SEX	Male				
2		Female				
3	AGE	14 - 15				
4		16 - 21				
5		22 - 54				
6		55 and Over				
7	EDUCATION STATUS	School Dropout				
8		Student *(High School or Less)*				
9		High School Graduate, or Equivalent, and Above				

c. SIGNATURE AND TITLE	d. DATE SIGNED	e. TELE. NO.

ETA 8580 (Aug. 1983)

a. STATE/SDA NAME AND ADDRESS	b. REPORT PERIOD From	To

LINE NO.	II. TERMINEES PERFORMANCE MEASURES INFORMATION – *Continued*		TOTAL ADULTS (A)	ADULTS (WELFARE) (B)	YOUTH (C)	DISLOCATED WORKERS (D)
10	FAM. STAT.	Single Head of Household with Dependent Children				
11	RACE/ETHNIC GROUP	White *(Not Hispanic)*				
12		Black *(Not Hispanic)*				
13		Hispanic				
14		American Indian or Alaskan Native				
15		Asian or Pacific Islander				
16	OTHER BARRIERS TO EMPLOY.	Limited English Language Proficiency				
17		Handicapped				
18	U.C. STAT.	Unemployment Compensation Claimant				
19	LAB. FORCE STAT.	Unemployed				
20	Youth Welfare Recipient					
21	Average Weeks Participated					
22	Average Hourly Wage at Termination					
23	Total Program Costs *(Federal Funds)*					

REMARKS

BILLING CODE 4510-30-C

Appendix D

YOUTH COMPETENCIES RESOURCES AND BENCHMARKING EXERCISE

Positive state and local competency based initiatives related to JTPA are presently occuring in Maine, Michigan, Colorado and Oregon:

- In Maine, a workgroup composed of state personnel, SDA staff, and members of the educational community has developed a fairly sophisticated preemployment and work maturity package, including competency measures, assessment and evaluation procedures, a core curriculum which can be modified to meet local circumstances, a credentialing format, and forms to be used for recording and reporting the data generated. Next on this group's agenda are the basic education and job-specific skills categories.

- In Michigan, a workgroup encompassing members from the governor's JTPA office and individuals from SDAs has designed an initial youth competencies system covering job-specific skills and work maturity. This effort entails a task analysis and occupational classification approach devised by educators from Michigan State University. The basic education category will be addressed next, and then preemployment.

- In Colorado, a statewide youth initiative has been formulated and signed by all cabinet level officials whose departments deal with human resources related problems. This comprehensive, collaborative effort involves vertical and horizontal cooperation and coordination among state and local agencies in a variety of fields. The objective is to maximize the utilization of funds, facilitate total - yet non duplicative-delivery of assistance to needy clients on a continuum of services basis, and eliminate institutional and organizational overlap and fragmentation. This creative, innovative, and far-reaching venture has been in operation for three years, and has made great progress through the vehicle of demonstration projects

to pilot test new approaches. Great strides are currently being made in the area of competency based employment and training programming for young people.

- In Oregon, the governor's Job Training Partnership Act office is working closely with the educational community to establish systems to develop and document the acquisition of youth competencies. The Jackson-Josephine County PIC of Medford, Oregon, has put together a model set of youth competencies, demonstrating that employers can become effectively involved if given the chance.

Other outstanding examples of youth competency systems may be found at the Greater Peninsula Job Training Consortium in Hampton, Virginia, and the Rock Island, Illinois SDA.

Most program operators in the employment and training community have been doing some form of benchmarking for years. To date, it has usually been informal and non-systematized. Now there is a need to put it together into a package with formal methods and techniques, accurate baseline data, and results marketable in the real world of work. While state and national aggregation will need more comparable measurement instruments, sophisticated modeling procedures, and detailed information, local impact could be felt during the first nine months, thanks to the opportunity provided by JTPA. Even in a troubled economy, acquisition of the capacity to find, get and keep a job, and advance a career is a positive thing for JTPA youth. Through demonstration of employability competencies, young people show that they have the tools for self-sufficiency. As has been said many times before--give a man a fish, and you feed him for a meal; teach a man to fish, and you feed him for life.

Finally, it seems appropriate to close with a few caveats. The law appears to intend that localities go through an informed, thoughtful, and thorough process to formulate and institute a youth competencies system which meets local labor market needs and conditions. Simply pulling a pre-packaged product from the shelf may be easier and less involved at first, but such an action is contrary to the intent and substance of the legislation, eliminates the foundation upon

which long-term coordination and linkages are built, and detracts from the ownership felt in a benchmarking system which evolves over a period of time through investment of energy and effort by a variety of agencies and individuals, including employers and educators.

There are systems that deal with all the competency categories in some fashion or other. There are partial systems which cover some of the competency areas. There are also piecemeal products that address one (or portions of a single) competency, i.e. particular tests or specific instruments. Some of these offer the opportunity to affectively demonstrate the acquisition of a competency through actual performance of an activity or completion of a task, while others simply show that the youth knows the correct answer. This "show of knowing" is fine for the basic education category. But for the preemployment category, it might also be appropriate for a young person to prove mastery through successful completion of an interactive interview exercise. Cognizance of proper work habits and attitudes is a positive thing, but demonstration of work maturity through acceptable job site behavior over a period of time could be important too. Correctly completing tasks related to job-specific skills, such as actually fixing a tire, installing an electric fixture, or repairing a small appliance, would also serve to document the achievement of occupational proficiency.

Whichever way an entity goes - be it state, SDA, PIC, or program operator - its decisions concerning the establishment of a youth competency system should be knowledgeable, careful, and deliberate. This will enhance congruence with local circumstances and situations, clients to be served, activities and project offerings available, intra and post program results desired, economic and other environmental elements, the service delivery system, and ancillary program factors such as labor market projections, employability developing planning, client flow coordination, and use of advanced learning technology. Such an approach will enable the youth competencies concept to become a valuable part of a comprehensive continuum of overall program structure, content, sequence, and process, fit into planning, operations, management, and oversight functions, and contribute to positive and progressive outcomes for clients and the community.

Policy and programmatic decisions in these areas will have definite effects on conceptual modifications, developmental and implementation steps, provision of technical assistance and training, and future directions at all levels, as well as on the roles of national and state actors, SDAs, PICs, administrative entities, and program operators. Those affected the most will be project participants.

BENCHMARKING EXERCISE

At one time, enrollees of the Androscoggin County (Maine) Neighborhood Youth Corps Program quoted a poem for their departing director which went as follows:

"What I hear, I forget;
What I see, I remember;
What I do, I know."

These young people believed that this short message captured their director's philosophy of instruction and development, and in fact it did--quite accurately.

The experiential learning approach provides the foundation for this exercise, during which adults involved in various ways in JTPA are asked to take part in a role playing task designed to result in a benchmark applicable to youth programs. Many interesting things take place during this episode. People find out that concepts and contructs "familiar to all" are really not understood the same way by everybody. Participating individuals must distinguish between definition and application, substance and procedure, theories and techniques. Long held prejudices, principles and beliefs rise to the surface and influence the discussion. These attitudes reflect various local work ethics, personal habits, organizational practices, and parental thoughs on acceptable behavior.

The methodology for implementing this exercise depends on the size, enthusiasm, and willingness of the audience to participate. It may be possible and even advisable to involve the total group if there are less than 30 people. On the other hand, for purposes of manageability and illustration, it is suggested that for groups of more than 30 individuals, five to ten persons might volunteer to go through the episode, thereby paralleling the (sub)committee approach to compromise, consensus-building, and decision making. Regardless of the numbers

utilized, the purpose of the experience is to demonstrate to those participating and/or watching that developing a system for documenting the acquisition of youth competencies involves common sense, ability to communicate, and understanding of the labor market.

The following chart is presented below exactly as utilized at a series of conferences on performance standards co-sponsored by DOL and the National Governors' Association (NGA). The group exercise, conducted through use of this chart as a visual aid, is explained and facilitated by the workshop leader. Items a) through f) set the scene, define the various roles to be played, and establish the objective, which is to formulate a youth competency statement related to being "on time". Items g) through k) incorporate some of the main elements in designing benchmarks and serve as a checklist of factors which the group would need to address in going through its decision making process and completing its task, e.g. what constitutes punctuality? how would it be measured? what happens to those youth who don't achieve the competency? Topics covered in the paper, such as "indicators, levels, and measurement," are utilized as points for initiating group discusson and issue processing.

Chart for Exercise - "Developing and Documenting the Acquisition of Youth Competencies"

a) **Task** - Design a benchmark that is relevant to the "real" world of work, and possible to implement.

b) **Setting** - Old Dominion Bank Building Boardroom.

c) **Time** - Tuesday evening at 6:30 P.M., (sometime in the future....)

d) **Participants** - PIC members, including employers who have hiring authority, SDA/Local Elected Official representative(s) (if politically feasible), (state) provider of technical assistance and training (if do-able), etc....

e) **Competency Category** - Preemployment/Work Maturity.

f) **Standard (Behavioral Area)** - Punctuality.

g) **Indicators** - Physical presence (on street, in building, in room at seat or work station); number of minutes leeway (one, two, three, four, five)...

h) **Levels** - Time frame of application (first week, second week, third week); percentage required (80%, 90%, 100%); mitigating factors (sick, emergency, transportation problems, "overslept"), and verification thereof....

i) **Measurement** - Instructor observation; honor system; time clock; group "input" (bureaucratic term for "tattling").

j) **Penalties** - Time docking; program reassignment; separation/termination....

k) **Additional Considerations** - Variations in client characteristics, services and activities, incremental/unit learning objectives, and project environment, as well as means of recording, reporting, retrieving and utilizing data on an aggregate or individualized basis.

BIBLIOGRAPHY FOR YOUTH COMPETENCIES

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Local Benchmarking Systems. Youth Performance Standards Technical Paper No. 2. Technical Workgroup, October, 1981.

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Recognizing Learning Outcomes for Employment. Consortium on Education for Employment, April, 1982.

Youth Competencies. JTPA Performance Standards Technical Paper No. 7. December, 1982.

YOUTH COMPETENCIES RESOURCES

- o An Introduction to Competency - Based Employment and Training Programming for Youth Under JTPA

  - Jim Wiggins: (202) 376-6622

- o Establishing a System for Developing and Documenting Youth Competencies: Policy and Program Considerations of Organization and Implementation

  - Rick Spill: (202) 624-7810

- o Benchmarking and Assessment: An Approach to Developing Youth Employment Competency (by Gerri Fiala)

  - available from: Olympus Publishing Company, Salt Lake City, Utah (801) 583-3666

- o Jackson/Josephine County Oregon PIC (Medford, Oregon)

  - Jim Massey: (503) 776-5100/479-7861

- o State of Michigan

  - Charles Altman: (517) 322-1788

- o State of Maine

  - Philip Thibodeau (207) 289-3375

- o VEDP-St. Louis University Center for Urban Programs (Missouri)

  - Prof. Brian Nedwek (314) 658-3934

- o Greater Peninsula Job Training Consortium SDA (Hampton, Virginia)

  - William Mann: (804) 838-5206

- o Rock Island SDA (Rock Island, Illinois)

  - Cathy Andrews: (309) 793-5200

- o <u>The Comprehensive Competencies Program - Overview</u>

  - Robert Taggart: (703) 836-7030
    Remediation and Training Institute
    206 King Street, 3rd Floor
    Alexandria, VA 22314

- o State of Colorado Board for Community Colleges and Occupational Education

  - Carole Johnson: (303) 866-2335

- o Brandeis University Center for Human Resources (Waltham, Massachusetts)

  Andrew Hahn/Erik Butler: (800) 343-4705/4706

- o San Mateo County Office of Education - Youth Employment Competencies Exchange (Redwood City, California)

  - Joe Cooney: (415) 363-5439

Appendix H

YOUTH EMPLOYMENT FORUMS

SERIES I

Chicago, Illinois

Denver, Colorado

Washington, D.C.

Birmingham, Alabama

Houston, Texas

AGENDA

DAY I

9:00 - 9:30	REGISTRATION Coffee and Donuts
9:30 - 9:45	WELCOME
9:45 - 12:00	JTPA YOUTH PROGRAMS - Legislative Framework - Management Issues - Allowable Services and Activities
12:00 - 1:30	LUNCH
1:30 - 3:00	PERFORMANCE STANDARDS: HOW THEY WILL AFFECT YOUTH PROGRAMS
3:00 - 3:15	BREAK
3:15 - 4:45	MARKETING YOUTH PROGRAMS TO THE PRIVATE SECTOR

DAY II

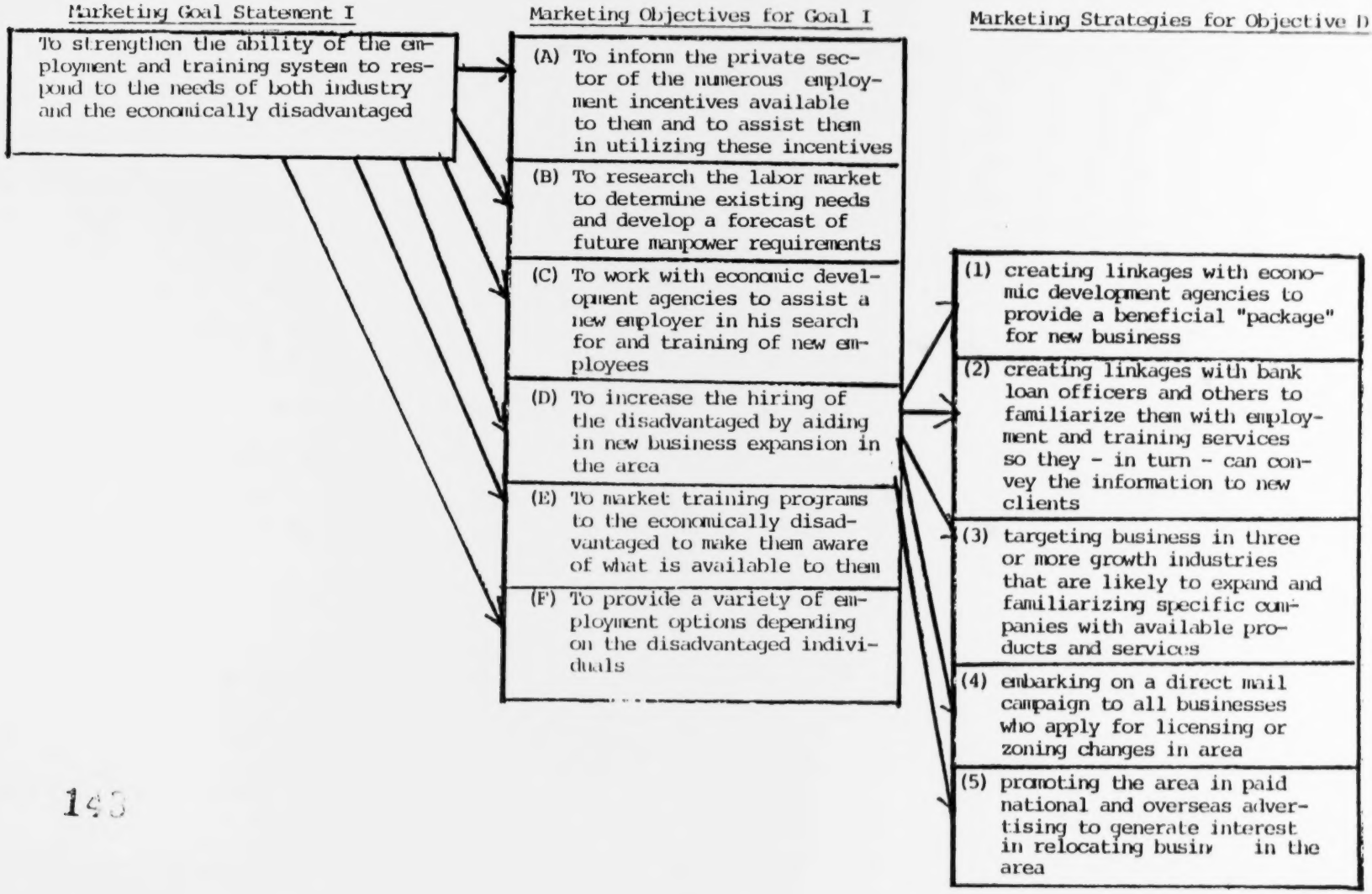
9:00 - 11:00	DEVELOPING YOUTH COMPETENCIES
11:00 - 11:15	BREAK
11:15 - 12:15	LIVING WITHIN THE LIMITS (small group exercise)
	-Work Experience
-	Support Services
-	Non Stipended Programs
-	Other Possible Barriers
12:15 - 1:30	LUNCH
1:30 - 3:00	Small Groups Con't
3:00 - 4:45	OVERVIEW OF PROGRAM STRATEGIES UNDER JTPA
4:45	ADJOURN

Appendix E

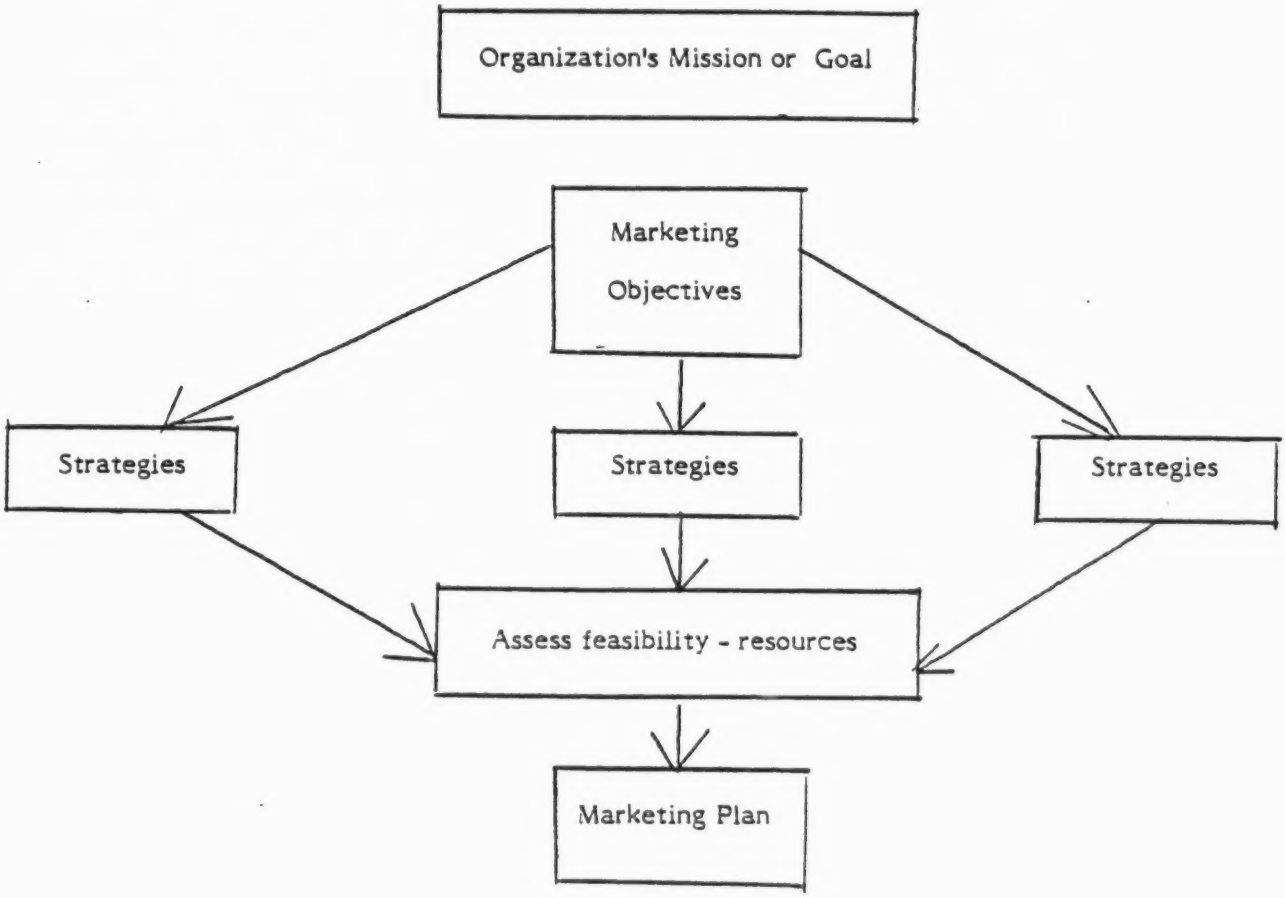
YOUTH EMPLOYMENT FORUMS

MARKETING RESOURCES

Diagram of Marketing Sequence: From Goals to Objectives to Strategies


Marketing Goal Statement I
To strengthen the ability of the employment and training system to respond to the needs of both industry and the economically disadvantaged
Marketing Objectives for Goal I
(A) To inform the private sector of the numerous employment incentives available to them and to assist them in utilizing these incentives
(B) To research the labor market to determine existing needs and develop a forecast of future manpower requirements
(C) To work with economic development agencies to assist a new employer in his search for and training of new employees
(D) To increase the hiring of the disadvantaged by aiding in new business expansion in the area
(E) To market training programs to the economically disadvantaged to make them aware of what is available to them
(F) To provide a variety of employment options depending on the disadvantaged individuals
Marketing Strategies for Objective D
(1) creating linkages with economic development agencies to provide a beneficial "package" for new business
(2) creating linkages with bank loan officers and others to familiarize them with employment and training services so they - in turn - can convey the information to new clients
(3) targeting business in three or more growth industries that are likely to expand and familiarizing specific companies with available products and services
(4) embarking on a direct mail campaign to all businesses who apply for licensing or zoning changes in area
(5) promoting the area in paid national and overseas advertising to generate interest in relocating busin in the area

Flow Chart of the Marketing Sequence



MARKETING SUMMER YOUTH PROGRAMS TO
THE PRIVATE SECTOR

Marketing should be a thoughtful, conscious process requiring a plan. A marketing plan should include:

- a clear statement of program goals & objectives
- strategies which address specific objectives
- assessment of available resources

Following these basic marketing steps will help you develop an effective business-like marketing approach:

1. DECIDE WHAT TO SELL

- Productivity
- Involvement
  - Jobs
  - Financial contributions
  - Loaned Executives or Equipment
  - Assistance with media & promotion

2. KNOW YOUR PRODUCT (SUMMER YOUTH EMPLOYMENT PROGRAMS)

- Advantages and benefits (TJTC)
- Promote positive image
- Be prepared to offer proof to skeptics

3. DON'T SELL WHAT YOU CAN'T DELIVER

- Make sure you have a quality product
- Emphasize good management

4. COMMUNICATE

- Speak the language employers speak - plain English
- Avoid acronyms
- Articulate clearly what you can do for business and what they can do for you

5. CREATE OWNERSHIP

- Involve businesses early
- Ownership translate into support

6. RECOGNIZE AND REWARD

- Use local media to highlight business contributions
- Plan a special event to give thanks

Appendix F

PROGRAM DESIGN OPTIONS FOR NON-STIPENDED PROGRAMS

BY

NANCY REMINE TREGO

February 1984 RR-84-02

RESEARCH REPORT SERIES
NATIONAL COMMISSION
FOR EMPLOYMENT POLICY
1522 K STREET, N.W.
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E. Louisville Waiver Request

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EXECUTIVE SUMMARY

The Comprehensive Employment and Training Act (CETA) required that trainees receive a stipend equal to the State or Federal minimum wage, whichever was higher. Under the new Job Training Partnership Act (JTPA), stipends are not allowable, although "needs-based payments" and participant support services can be provided within fairly stringent cost limitations. This change has led to concern that individuals who are the "most in need" will not be able to participate in training programs. This paper is designed to explore program design options that accommodate the elimination of stipends without abandoning services to the "most in need."

Primarily during the period of August through November, 1983, Commission staff talked to about twenty State and local employment and training program administrators, specifically including a handful who operate CETA programs that eliminated or reduced training stipends before the start of JTPA. Staff also interviewed representatives of various national organizations with contacts in the field. The results of those discussions are presented in this paper as highly tentative impressions of available program design options and what can be expected under JTPA.

In designing programs that meet the JTPA limitations on participant support, practitioners first must consider three major factors: (1) the economic needs of the local area, (2) appropriate target participants, and (3) JTPA's limits on specific types of costs.

JTPA's local decision-making structure, which makes the business community equal partners with local government, promotes the recognition of local economic needs. The question of whom to serve in JTPA programs may be a major, emotion-laden discussion in many service delivery areas, however, and the process of resolving that conflict could be as important to the ultimate success of a local partnership and program as the specifics of the answer obtained. The third major consideration for service delivery area decision-makers is the law's limitation on spending for program administration and participant support. Conversations with service delivery area administrators late in 1983 suggested that many program design and management decisions were being driven by the need to comply with cost limitations, an effect that can be expected to increase after CETA carry-over and close-out money and private industry council planning grants have been exhausted.

Program Design Options

Based on its analysis of the area, each service delivery area must select its own mix of programs and fashion each of the programs selected from a wide range of options. Some of those program design options are outlined here in four broad categories. First, the paper examines ways of improving applicants' motivation to enroll and to stick with training despite the lack of stipends. Second, it lists some ways to rearrange traditional program activities to accommodate those enrollees who need to work to support themselves during training. The third category encompasses improvements to individual

program components that can increase the productivity of the time enrollees spend in training. Finally, the paper examines some options available for participant support systems.

1. Motivating enrollees to enroll and then to remain in training may be accomplished through

- o guaranteeing, or at least making sure there is a high probability for, a good job at the end of the program.
- o providing special motivational training designed to alleviate the self-doubt that is often typical of economically disadvantaged enrollees.
- o allowing for a pre-enrollment period when applicants may come, drop out, come back, and generally sample what's available.
- o adapting the "job club" idea to training programs in order to provide each enrollee with a small peer support group.
- o using cash payments, after careful legal review, as a supportive incentive to participation.
- o orienting every aspect of the program to placement and successful participation in the world of work.
- o helping enrollees enlist the support of spouses and other family members through open houses, etc.
- o arranging programs to provide recognition of enrollees at short-term personal and training-related milestones along the way.

2. Rearranging traditional program activities can sometimes help enrollees handle their need for subsistence income during training. For example, service delivery areas may find it useful to:

- o couple training with income-producing activities, such as on-the-job training or work experience.
- o expand the use of on-the-job training, for which the enrollee is hired and receives a wage from the employer.
- o convert training to a part-time schedule that permits enrollees to hold outside jobs.

3. Making the most of the time enrollees spend in training is particularly important, given the fact that some financial sacrifice is undoubtedly involved. Ways of improving productivity include

- o improving the program's ability to assess individuals' skills so that they are assigned only to needed training components.

- o using competency-based curriculum design.
- o making training courses open entry, open exit.
- o providing modular training in occupational clusters or tiered modules that have a variety of possible exit points to accommodate participants' varying abilities to remain in the program.

4. Designing participant support systems that:

- o make maximum use of other programs for subsistence or support.
- o provide certain services directly.
- o increase the use of donated funds or services and make the most effective use of them.

Questions and Expectations

The effects of eliminating stipends are as yet unclear. However, some predictions can be made. Clearly, the cost per person of training programs will decrease, but that decrease may be partially offset by increases in support or other costs or by retention problems. Another firm expectation is that clients who enroll and remain throughout training will be highly motivated.

Changes in the measurable characteristics of enrollees cannot be predicted from available research. Although a preliminary Commission study based on CETA prime sponsors that eliminated stipends for the first time in fiscal year 1982 predicts little change, it cautions readers that the sample was small and relatively advantaged. Further, JTPA introduces significant new factors that may overwhelm the simple elimination of stipends. For example, the limitation on support services costs, the impact of the private industry councils on client selection, and local decision-makers' perceptions of the demands of performance standards can be expected to impact heavily on client characteristics.

Finally, CETA prime sponsors' experiments with reducing or eliminating allowances suggest that there may be a difficult transition period of three months or more, when recruitment and retention difficulties abound. Service delivery areas will have to expect change in their program designs to accommodate specific local problems.

INTRODUCTION

This paper examines program design options available under the Job Training Partnership Act (JTPA) to accommodate the elimination of training stipends without substantially changing the law's commitment to serve those most in need and able to benefit from job training programs. Its purpose is, not only to spell out program design options that can respond to the elimination of stipends, but also to suggest how to provide services without "creaming" and to resolve the conflict between economic and social goals of the program. In addition, based on discussions with administrators and program operators, the paper outlines expected operational effects of the elimination of stipends under JTPA and formulates a few questions for further research.

A series of appendices amplify various aspects of the paper. The first, a review of sources, is of general interest. It contains a summary of Janet W. Johnston's prior analysis of relevant research for the Commission as well as a sketch of the CETA programs most often cited as examples in the body of the paper. The other appendices provide further detail on some specific operational issues and design options.

This paper is an analysis of options available, based as much on the thoughts of experienced administrators as on the results of experimental programs. It is expected to be available early enough in the implementation of the Job Training Partnership Act to help local decision-makers think through their opportunities prior to the first full program year. The paper is not a comprehensive evaluation of CETA experiments with reducing or eliminating allowances.

The paper has been developed bearing in mind on-going research being conducted for the National Commission for Employment Policy. In particular, Howard Bloom of Harvard University is analyzing the impact of the elimination of stipends on client characteristics and program outcomes in CETA programs that made that change prior to JTPA.

Background

The Comprehensive Employment and Training Act (CETA) required prime sponsors to pay the highest of the State or Federal minimum wage to trainees in classroom training and any other non-wage training component of the program. The 1978 CETA Amendments permitted prime sponsors to "increase, decrease, prorate, or waive the basic allowance" in line with Federal regulations. Those regulations were much more restrictive than the language of the law suggests, however; and Federal administrative decisions reflected that reluctance to grant the flexibility implied by the law. In practice, then, the vast majority of CETA prime sponsors were required to pay a full minimum wage training stipend for the life of the program.

The more flexible system implied by the 1978 Amendments was never fully implemented. Beginning in fiscal year 1982, however, cuts in program funding and a gradually changing philosophy in the Labor Department resulted in greater willingness to grant waivers. Whereas only five CETA prime sponsors were granted permission to eliminate stipends before fiscal year 1982, the Labor Department reported sixteen more such waivers for a total of twenty-three in fiscal year 1982 and twenty-four more for a total of forty-five in fiscal year 1983. In addition, quite a few CETA prime sponsors reduced stipends, but did not eliminate them, in those two years. Despite this fairly substantial test of reduced or eliminated stipends, the vast majority of CETA prime sponsors did pay the full minimum wage stipend as required by the regulations through fiscal year 1983.

The minimum wage stipend requirement was based on the assumptions that many trainees had no other form of subsistence and that participation in training required extra expenditures for clothes, grooming, lunches, and so forth. The ability to provide for participants' income also was seen as useful during economic downturns, when jobs were in short supply. Thus, trainees could learn a skill and, if they failed to find a private sector job quickly, they could practice it in work experience slots or enroll in advanced training until hiring for permanent jobs picked up again.

The central problem with stipends was that they could sometimes have two unintended incentive effects: 1) the incentive to enter the program just for the income and 2) the incentive, once enrolled, to remain in training longer than otherwise might be the case. Quite naturally, an untaxed minimum wage stipend could encourage eligible people to consider participation in a training program an option for generating income rather than a preparation for income-producing work in the future. For example, economically disadvantaged people might believe that only two options besides welfare were open to them: to seek occasional day labor with varying wages, no benefits and little security or to enroll in Federally subsidized training, at minimum wage for an agreed upon period and with workers' compensation. Other job options might have existed, but disadvantaged workers often lacked either the confidence or the knowledge to pursue them. Thus the workers might choose CETA training, not because it matched their interests and ambitions, but because it seemed to be the best available source of income.

Stipends sometimes subtly discouraged trainees from actively looking for unsubsidized work. Because of self-doubt or fears about the unknown world of work, some enrollees may have prolonged their time in the "safe" training environment. In addition, the absolute amount of the stipend in relation to available wages could be perversely attractive. Because the minimum wage training stipend was untaxed, trainees were sometimes better off financially than regularly employed workers making minimum wage or slightly better. This certainly created an unrealistic standard--especially in low wage areas--and this potential "pay cut" after placement may have discouraged job hunting.

Finally, trainees often had access to other subsistence funds through eligibility for other programs. To the extent that they did not need the full minimum wage, those funds could productively be used to serve more people.

In response to the motivational problem and in order to cushion reductions in Federal funding for job training programs, the Administration sought the elimination of training stipends during the development of JTPA. As JTPA was finally enacted, the amount of money available for participant support was strictly curtailed and stipends, as such, were prohibited.

Supportive services and "needs-based payments" to individuals are allowable costs under JTPA. In general, administrative costs and such participant support activities together may not exceed 30 percent of the total Title II-A allocation.

Waivers to the 30 percent limit are available, however. According to section 108(c)(5) of JTPA, governors shall grant waivers if the private industry council initiates the request, if the JTPA services don't duplicate free services available elsewhere, if the need for the waiver and its amount are included in the job training plan, if the plan shows that the administrative cost limit will be met, and if the excess costs are "due to" one or more of the following conditions:

- o the unemployment rate in the service delivery area or a portion of it exceeds the national average unemployment rate by three percentage points, and the ratio of current private employment to population is less than the national average of that ratio;

- o the service delivery area's plan proposes to serve a disproportionately high number of participants from groups that require exceptional support services, such as handicapped individuals, offenders, and single heads of households with dependent children;

- o the cost of child care exceeds half the support services, work experience wages and needs-based payments costs;

- o the cost of necessary transportation exceeds one-third of the support services, work experience wages and needs-based payments costs;

- o a substantial portion of the service delivery area's participants are in training of nine months or more.

PROGRAM DESIGN CONSIDERATIONS

In designing programs that meet the JTPA limitations on participant support, practitioners first must consider three major factors: (1) the economic needs of the local area, (2) appropriate target participants, and (3) JTPA's limitations on specific types of costs.

1. Economic Needs of the Area

Matching training programs to local economic demand is particularly important when no training stipends are available. Since attending training is likely to be a financial sacrifice, the JTPA trainee is likely to be a more demanding "customer" than were enrollees in previous programs. If a good job at the end of training does not seem likely, the JTPA participant can be expected to drop out more readily than trainees who were taking home a minimum wage stipend. On the positive side, solid job prospects can be an excellent incentive for participants to enroll in and to stick with training despite the lack of remuneration.

JTPA's local decision-making structure, which makes the business community an equal partner with local government, promotes the recognition of local economic needs. Business participation in program design should help to insure that training is provided in occupations and industries in demand locally and that the specific course of instruction meets employers' expectations. Local business people often have a good idea of which occupations offer the greatest advantage to employees, not only in terms of continued demand for their services, but also in terms of wages and benefits, promotional opportunities, working conditions, and stability. Business people involved in planning local programs are also more likely to promote the program's products, i.e., trained workers, among their colleagues. Thus, by requiring that the private industry council and the local government submit the training plan jointly, national legislators hoped to build into JTPA an awareness of and sensitivity to the local economy.

There are many approaches to planning programs in light of local economic conditions. Appendix B presents an outline of one way to conduct a systematic local planning process.

2. Target Participants

Discussions with practitioners suggest that the question of selecting target participants will be a major, emotion-laden discussion in many service delivery areas (service delivery areas), and the process of resolving this conflict may be as important to the ultimate success of a local partnership and program as the specifics of the answer obtained. Successful long-term resolution usually demands compromise; a one-sided conclusion may fail to take into account the experience and convictions of one set of actors enfranchised by Federal law and, thus, may invite an opposite swing of the pendulum sometime in the future.

Target participant selection involves four activities: 1) a review of the legal provisions, 2) a review of the State's performance standards, 3) awareness and resolution of the agreements that typically surround the selection process, and 4) selection of a method for choosing participants.

The major legal provisions that impinge on a service delivery area's selection of target groups for Title II-A programs include the following:

- Section 203 of JTPA defines eligibility for at least ninety percent of enrollees as "economically disadvantaged." Up to ten percent "may be individuals who are not economically disadvantaged if such individuals have encountered barriers to employment. Such individuals may include, but are not limited to, those who have limited English language proficiency, or are displaced homemakers, school dropouts, teenage parents, handicapped, older workers, veterans, offenders, alcoholics, or addicts." After reserving forty percent of the funds for youth, the same section requires that recipients of Aid to Families with Dependent Children and school dropouts "be served on an equitable basis, taking into account their proportion of economically disadvantaged persons sixteen years of age or over in the area." Although individual members of many of the mentioned groups are obvious exceptions, the thrust of the eligibility requirements is clearly toward people with very difficult labor market problems, i.e. "the most in need."

- Section 141(a) requires that each service delivery area plan to serve "those who can benefit from, and who are most in need of, such opportunities" and "make efforts to provide equitable services among substantial segments of the eligible population." The first phrase recognizes reality: there are clearly some people for whom JTPA's assistance is inadequate. Nevertheless, because the law focuses not only on the most i'n need but also on those who can benefit from training, each service delivery area may try to define the line between those who can and who cannot be helped with the resources available. The second phrase still clearly requires an "effort" to attract demographically balanced enrollees; it was designed to avoid the rigid enforcement of percentages of "significant segments" of the eligible population that characterized the later years of CETA.

In addition to the key legal provisions, it may be useful to review the content of the performance standards that apply in the service delivery area's own State. If the State has chosen to use the Federal regression analysis, the standards of performance will automatically be adjusted if the service delivery area chooses to serve certain hard to serve groups. For example, Blacks, women and recipients of Aid to Families with Dependent Children are included in the base data in such a way as to allow for potentially lower placements and potentially higher costs in serving them. On the other hand, services to some groups, such as offenders, are not accounted for in the regression analysis, but their characteristics may be accounted for. For example, if the participants in a program for offenders were predominantly Black welfare recipients, the performance standards would be adjusted. On the other hand, if a service delivery area chose to serve a

group of offenders who were predominantly white males, the regression method would probably not lower performance standards to reflect the probable difficulty of placing them. In that case, the service delivery area could negotiate with the State to allow some variation in performance standards.

It may help to summarize the arguments typically presented within a service delivery area on the selection of priority target groups. Those who insist that JTPA focus on the "most in need" say, first, that the legislation requires it and that the intent of the legislation, its history, and its predecessors require it. They argue that the "cream" of the eligible population are so motivated that they will make it with or without this particular form of assistance. With Federal funds so tight, why spend money on those who will make it anyway? JTPA certainly has social goals, i.e., to make the economically disadvantaged employable. Previous "social" programs aimed at that target group, they say, taught operators a number of lessons that should form a base of information as JTPA programs are implemented.

On the other hand, some service delivery area decision-makers emphasize that JTPA is a clear change from prior programs. What is wrong with rewarding the most motivated, best prepared people within the eligible population? Certainly, the legislation anticipates relatively small expenditures per person, and one cannot reverse the greatest disadvantages given the resources available. Anyway, they say, anyone who is eligible is bad enough off to deserve help. Without stipends, the very poor may not be able to remain in training; it is not sensible to enroll people who are prone to dropping out midway through the effort. And, at least at first, we should put our best foot forward in engaging employers' interest in the new program by sending them the cream of the eligible population.

Resolution of this issue is often by compromise. It might be approached in terms of setting priorities for enrollment and creating a mix of services that permits an acceptable prioritization of spending, i.e., trying to spend the most on those most in need while providing less intensive assistance to the relatively less disadvantaged among the eligible population. This has the added benefit of guaranteeing some solid success, which is essential for staff morale, community support and political reality.

Achieving a compromise may require a change in the terms of the discussion. Instead of using emotion-laden concepts like "creaming," decision-makers may want to focus on specifics, such as the factors listed below. Ideally, the selection of target groups will be made through a systematic analysis of local conditions, resources and goals, such as the overall planning process outlined in Appendix B.

Selection of a method for choosing the target groups could be organized around any one of the following factors used for screening or prioritizing applicants for service:

- Demographic characteristics. Based on a statistical analysis of the local economically disadvantaged population, a service delivery area could set goals for service to various population groups. When CETA prime sponsors had more applicants than they could enroll, some ranked applicants at intake based on characteristics associated with relatively greater need. After adjusting for weights assigned to each characteristic by local decision-makers, applicants with the highest "need" ranking would be enrolled.

- Basic literacy and computational skills. Practitioners all over the country express concern that many enrollees, no matter what their educational level, cannot read and write or add and subtract well enough to succeed in training. If this deficiency is simply a matter of not speaking English, it is inappropriate and probably illegal to screen out enrollees. Where there is a real educational deficiency, many service delivery areas will draw a line dividing those who can be helped from those for whom the JTPA intervention is simply inadequate. Obviously, the difficulty is deciding where to draw that line. On the one hand, almost everyone will agree that it is against the law to exclude applicants because they don't have a high school diploma. On the other hand, some skill training components legitimately require a high school or general equivalency diploma; enrollees could progress from obtaining a general equivalency diploma to the skill training. One CETA prime sponsor in the Northeast reluctantly decided to exclude applicants who read below the third grade level as beyond the scope of potential help. Many local practitioners strongly objected, and called this creaming, but it seems to be a justifiable decision under the current law.

- Job readiness. Screening enrollees for job readiness is an attractive option in many service delivery areas. However, research suggests that counselors do not identify job ready clients very well. Elise Bruml and John Cheston addressed this issue in their March 1982 report for the Labor Department's Assistant Secretary for Policy, Evaluation and Research (ASPER), "Placement Assistance in the ES, WIN, and CETA."

  The ASPER research analysis concludes that counselor assessments of job readiness do not predict success in job club activities. In fact, it cites a study of the Work Incentive Program that found that enrollees randomly placed in job clubs did better than those assigned by counselors.

  If the service delivery area chooses to screen based on job readiness, it could be done without counselor assessment by referring nearly every enrollee first to a job club. This successfully achieves the goal of obtaining a number of less costly placements while permitting more expensive training to be reserved for those unable to find a job.

The disadvantage of this approach is that able and ambitious poor people may be job ready in the sense that they can find jobs in the secondary labor market, though those jobs may offer little hope for the future. Such enrollees, by their own efforts, become ineligible for training that would significantly enhance their earning capacity in the long run. Still it can be argued, they can find work and those who cannot are clearly more in need. Nevertheless, this issue represents a philosophical decision as well as a practical one.

- o Motivation. Together with basic skills, this may be the most controversial potential criterion for screening enrollees. Nearly everyone agrees that, if the enrollee does not want to succeed, the best program in the world won't work. Does that mean that a service delivery area should try to screen out unmotivated people or that it should try to instill the desire to succeed in enrollees? There is no consensus on the answer to this question.

  Given the limits on funds and the overabundance of poor people anxious to advance themselves, service delivery areas may choose not to search out the discouraged. There are reports that a few CETA prime sponsors screened out those who could not perform fairly advanced labor market exercises, such as interviewing employers on the skills needed for particular jobs.

  Others argue that the super-motivated will find some way to succeed, whether or not JTPA offers them assistance. Crippling self-doubt is one of the most devastating characteristics of being disadvantaged. In "Classroom Training: The OIC Approach," issued by the Labor Department in 1978, Calvin Pressley and James McGraw explain the conviction of the Opportunities Industrialization Centers of America (OIC) that programs should be designed to treat the lack of motivation as a typical, and major, barrier to employment. "We're talking about a process of conversion," they wrote. "We're talking about people changing...They find themselves, perhaps for the first time, in the presence of people who really care, who really understand...The classroom training conversion occurs when the recognition is internalized." Program designs to address the lack of motivation can be adapted to JTPA.

Regardless of whether the service delivery area uses one of these client screening devices, the selection of JTPA target participants--like the economic needs of the area--is a major consideration that should be addressed before choosing program designs to accommodate the elimination of stipends.

3. JTPA Cost Limitations

The third major consideration for service delivery area decision-makers is the limitation on spending for program administration and participant support established in section 108 of JTPA. Conversations with service delivery area administrators late in 1983 suggest that many program design

and management decisions are being driven by the need to comply with cost limitations. Administrators expect that effect to increase over time because administrative spending will not be particularly constrained until the first full program year of JTPA, after CETA carry-over and close-out money and private industry council planning funds have been exhausted.

The JTPA cost limitations also affect our ability to predict the impact of nonstipended programs based on the experiments conducted by CETA prime sponsors. It appears that few of those prime sponsors that reduced or eliminated stipends under CETA have been able to carry their systems over into JTPA without further reductions in participant support.

For example, Louisville, Kentucky, provided basic services and paid only $30 per week for the last year and a half of CETA, but this required 25.6 percent of the budgeted funds, using JTPA definitions. With the start of JTPA, however, the $30 expense money had to be eliminated. In fact, Louisville asked for a waiver up to 18.5 percent of the allocation just to provide needs-based bus tokens, child care and a $5000 emergency fund. In the first month of JTPA, roughly half those who inquired about the program decided not to enroll and half of the applicants who started the two-week orientation period dropped out before skill training. Although there are no comparable figures for the last year of CETA, program staff did not report similar problems. Of those who did enroll during the first month of JTPA, only nine percent were Federal welfare recipients (Aid to Families with Dependent Children), compared to 49 percent of the fiscal year 1983 CETA enrollees. It remains to be seen if this pattern holds or if it is merely part of the two or three month transition period that seems to characterize most changes in a local support system. Because of this uncertainty, however, studies that are based on CETA experiments must be applied very cautiously to the JTPA experience.

Because of the 30 percent rule explained in section 108(b) of JTPA, there is inherent competition between participant support services and work experience wages. This will be particularly difficult to resolve in areas that have small allocations, and roughly 125 service delivery areas received less than $1 million in Title II-A funds on an annualized basis for fiscal year 1984. For example, a service delivery area with a $1 million allocation that used its full 15 percent for administration would have only $150,000 to cover support services for people in training and wages for youth in work experience. At one extreme, the full amount could be used to provide 448 hours apiece (20 hours a week for 22 weeks) of old-fashioned work experience for 100 youngsters with nothing left over for services. On the other hand, the service delivery area could provide a $7.50 per day needs-based payment to 176 trainees for 114 days or nearly 23 weeks of training, but at the expense of providing any work experience opportunities. Obviously, in most cases, the choice will be between the two extremes, but will be extremely limited in scope.

If administrative costs can be reduced below the 15 percent limit, the amount available for support services and work experience wages expands. Ways to limit administrative costs include the following:

- Unit cost contracts combine all categories of spending-- training, services, and administrative costs-- into a single price for each "unit" purchased, whether that be a person placed on the job or an applicant's skills assessed. If all the legal and regulatory requirements are met, the total cost of such contracts may be charged to the "training" cost category under JTPA. These contracts were developed to accommodate the typical practices of some private service vendors and to emphasize the performance outcome of CETA contracting. They were included in JTPA, not only to continue those programmatic benefits, according to key Congressional staff people, but also as a way for service delivery areas facing tight administrative cost restrictions to reduce those costs. Section 141(d)(3) defines them simply as follows: "Commercially available training packages, including advanced learning technology, may be purchased for off the shelf prices and without requiring a breakdown of the cost components of the packages if such packages are purchased competitively and include performance criteria." The regulations implementing JTPA, however, add a series of new criteria for using unit cost contracts, specifically excluding full payment for any outcome but placement. This may eliminate a number of packages for assessment, world of work orientation for youth still in school, and similar programs that do not possess a placement orientation; nevertheless, unit cost contracts can still be used to free funds for support or work experience.

- Maximizing the use of customized training and on-the-job training can reduce administrative costs because staff-intensive development costs are part of the "training" cost category. Section 108(a) specifies that "...such additional costs as may be attributable to the development of training described in section 204(28) shall not be counted as part of the cost of administration." Section 204(28) defines customized training tightly as being "...conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of that training." Rep. Marge Roukema inserted these provisions to encourage the use of such customized training. Since the regulations are silent on the issue, the provisions noted must be interpreted by States or service delivery areas; clearly, they are intended to offset the heavy developmental costs associated with planning customized training. Similarly, section 629.38 (e) (1) of the regulations specifically includes the cost of developing on-the-job training opportunities in the training cost category.

- Four categories of funds listed in section 629.39(b) of the regulations are exempted from the 15 percent limitation on administrative costs: 1) States' five percent audit funds, 2) twenty percent of the States' education linkage funds, 3) States' incentive and technical assistance funds, and 4) Federal discretionary funds for Title III dislocated worker programs. To the extent that service delivery areas have access to any of these categories of funds, they may be able to relieve pressure on their administrative costs.

Using tryout employment for youth instead of work experience whenever possible will not reduce administrative costs, but it may transfer spending from the "30 percent" category to the "training" category. This is one of the "exemplary youth programs" available under section 205 of JTPA, "...each of which may be modified by the plan to accommodate local conditions." Tryout employment can be part of the third such option, "entry employment experience programs," described in section 205(d). Although it is limited to a particular target group spelled out in section 205(d)(1) and restricted in its duration and design, it does permit the service delivery area to place a youngster on the job in the private sector for a tryout period at no cost to the employer. In addition, according to section 108(b)(2)(B), the cost counts in the training category, not as part of the 15 percent available for participant support or work experience wages.

Education linkage funds available from the eight percent set-aside need not adhere to the 30 percent limit on administration and support services, though 80 percent of those funds are bound by the 15 percent limit on administrative costs. (See sections 629.39(b)(2) and (d)(2) of the JTPA regulations.) Thus, they could be used to supplement work experience and support services available through the service delivery area's regular programs.

Certain activities, previously defined as employment generating services or support services, are so integrally a part of good training activities that they were redefined as "training" under JTPA. For example, section 108(a) mentions that "...costs of program support (such as counseling) which are directly related to the provision of education or training...shall not be counted as part of the cost of administration." These costs are further included in the training category within the cost categories specified in the regulations.

Despite the importance of adhering to JTPA's cost limitations, many experienced administrators emphasize the importance of delaying consideration of the techniques for limiting certain costs until completion of a genuine local planning process based on the first two major factors discussed in this paper -- the economic needs and the target population groups of the area. Whenever they are considered, however, these three factors -- the local economy, the target populations, and the JTPA cost limitations -- will have a determining impact on the program.

PROGRAM DESIGN OPTIONS

Based on its analysis of the area, each service delivery area must select its own mix of programs and fashion each of the programs selected from a wide range of options. Some of those program design options are outlined here in four broad categories. First, the paper examines ways of improving trainees' motivation to stick with training despite the lack of stipends. Second, it lists some ways to rearrange traditional program activities to accommodate those participants who need to work to support themselves during training. The third category encompasses improvements to individual program components that can reduce enrollees' unproductive time in training. Finally, the paper examines some options available for participant support systems.

1. Motivating Enrollees

Perhaps the single most important factor in securing enrollee participation, now, as in the past, is the pay-off, a good job at the end of training. Most clients will find a way to support themselves during training if they are convinced of the outcome. Dutchess County, New York, emphasizes training in high demand, high pay skills. This encourages participation and respect for program graduates in the community. Because the program trains in skills perceived as the coming thing in the area, local newspapers and media provide extensive coverage of program achievements.

Self-doubt often characterizes disadvantaged people. They sometimes believe the worst stereotypes about themselves, that they are worthless, irresponsible and unable to hold down a job. Because they may be unfamiliar with the normal demands of a working life, seemingly simple demands of a training program may undermine their confidence of success and result in their quitting. At least since the 1960's, many employment and training professionals have considered this self-doubt, or lack of motivation, a major barrier to employment to be addressed just as they address a lack of job skills.

Leon H. Sullivan, founder of the Opportunities Industrialization Centers, explained the program design chosen to address lack of motivation in his 1972 book, Alternative to Despair, as follows:

> "Included as a critical part of all OIC training is the special preparation called the Feeder Program. Each person who enters the OIC training is required to enroll first in this attitudinal motivational program. This prevocational training provides the foundation necessary for many trainees to (1) accept the idea of going to school, (2) understand basic communicative and computational skills, and (3) be motivated to a point where a more than reasonable certainty can be established that he will remain on a job once trained and placed."

A number of other program designs can address the lack of motivation. A special motivational training component similar to OIC's feeder program would require, at least, activities to counteract low self-esteem and lack of familiarity with the basic requirements of the world of work. It might also contain work sampling and other forms of reality testing. Some service delivery areas fund this component with outside money in order to protect against high drop-out rates, which could lower their performance rating.

Service delivery areas might also set a pre-enrollment period during which a person can come, drop out, come back, sample training available and meet with counselors. An applicant might be expected to meet a performance criterion during this period before being allowed to enroll. For example, one service delivery area requires that applicants arrive on time and attend every day of a two week orientation to work program before enrolling. If applicants cannot achieve that goal, they are unlikely to benefit from skill training. On the other hand, there is no limit on how often they can enter orientation, where instructors help them address motivational barriers to employment. Program operators are satistied with this arrangement because they do not suffer in the numbers game from an inflated number of terminations, yet they are encouraged to attract the most in need.

It is not clear whether cash payments can be used as an incentive to participation under JTPA. If so, some program operators suggested that incentive payments could be made for the first six weeks of enrollment, for example, on the assumption that the training would be able to sell itself by the end of that period. During fiscal year 1983, Wisconsin's Waukesha-Ozaukee-Washington Counties (WOW) Consortium paid $1 per hour as a performance incentive. Each two weeks, instructors certified those enrollees who met attendance and class participation standards. Appendix F describes the system more thoroughly. Although JTPA does not mention performance incentive payments to enrollees, it does not seem to prohibit such payments. However, since there are no precedents for its lawfulness, service delivery areas should seek State or Federal legal guidance before establishing a performance payment system under JTPA. Another service delivery area plans to use donated funds as well as its limited work experience slots to create jobs for trainees judged to need the money incentive.

Service delivery areas might adapt the job club idea to training program design in order to help enrollees stick with it despite the absence of stipends. In other words, they might create peer support groups for people in training. Small groups of trainees would meet together regularly throughout their training period to discuss their experiences, offer personal encouragement, and help each other think through problems that arise.

Activities and attitudes built into the training programs themselves can also help trainees stay with the program. Many job training programs now make an effort to orient every aspect of the operation to placement and successful participation in the world of work rather than adopting a "therapeutic" approach to the enrollees. This requires careful preparation of instructors and counselors. Because the most successful trainers are often sympathetic to the difficult life experiences of many enrollees, they are tempted to excuse absences and behavior that will be unacceptable on any job. Their constant

challenge is to remind themselves that such sympathy is misplaced in the long run if it is not focused on correcting inappropriate behavior. Similarly, counselors must see themselves as enrollee advocates, but it is short-sighted to interpret that charge as a responsibility to lower standards of achievement expected of enrollees. Many good programs train counselors to emphasize their function as employment advisors or career developers, sometimes highlighting that emphasis by renaming their jobs.

Activities designed to elicit the support of spouses and other family members can be useful to enrollees in long-term training. For example, spouse nights could be held at the beginning of each training session to reassure spouses that time spent in training without an earned income would be worthwhile in the long run.

Personal recognition for enrollees can be tremendously supportive. A former program operator recalled enrollees whose birthdays had never been celebrated. Modest monthly birthday parties were treasured by enrollees. For similar reasons, simple recognition of minor milestones in the training course can serve as effective incentives for enrollees whose personal lives have been lacking in normal appreciation or praise.

2. Rearranging Program Activities

Without deviating from a fairly standard set of assumptions about what constitutes a publicly funded job training program, some basic adjustments can be made to accommodate participants' need for subsistence during training. Again, it is important to remember that every option is not available to each service delivery area because of differences among service delivery areas that require overall program planning decisions based on local conditions and resources.

Training can be coupled with income-producing activities. For example, WOW Consortium, Wisconsin, attempts to find each enrollee who needs it a paid on-the-job training opportunity related to the training occupation. Young people can be enrolled in training during the school year and placed in a summer job for the holidays. Local corporations in Dutchess County, New York, and Baltimore, Maryland, have donated funds to create community service jobs so that trainees can support themselves on the job while in training. To the extent that the 30 percent limitation allows, trainees under 22 can be provided a work experience slot that ties in with their training.

On-the-job training (OJT) provides a situation where the trainee is actually hired and paid by the employer during training. Because the employer has already committed the time and effort to training, placement is also particularly likely after OJT. These characteristics suggest that such training is a perfect candidate for expansion under JTPA. However, there are major limitations on the use of OJT. First, the employer market for OJT cannot expand indefinitely, even with JTPA's close ties to business. Howard Bloom's preliminary analysis of CETA experience indicates very little and slightly declining use of on-the-job training nationwide and no real difference in this pattern for prime sponsors that eliminated stipends. Further, since most opportunities are developed individually, a number of program operators think that any

increase will be gradual and relatively expensive. Further, candidates for on-the-job training tend to be the most job-ready or individuals who have already completed substantial classroom and attitudinal training components. Without careful planning, a major shift to OJT might result in significant changes in the population served. Thus, it will be difficult for service delivery areas to double or triple OJT in the first nine months of JTPA as some expect.

Despite the attraction to enrollees of earning a wage during training, service delivery areas should use normal planning analyses of the cost and benefits of on-the-job training opportunities. OJT may not be the best form of training when the required skills are substantially cognitive. On-the-job training is usually most effective when the job can best be taught by showing the trainee what to do and letting him or her practice. It is also commonly selected when the equipment involved is too expensive for the training facility to obtain. Finally, OJT is often relatively expensive, particularly given the job-readiness of those who often enroll and now that stipends are unavailable for other forms of training. Therefore, the wage and advancement potential of each job should be scrutinized. Private industry council members suggest that the traditional reimbursement of half the trainee's wage need not be offered, particularly for lower paying jobs. Service delivery areas can consider, not only sliding scale payments, but also significantly reduced total reimbursement if the necessary remediation and job survival training prior to placement in on-the-job training have been successful. Despite these considerations, OJT offers one of the best solutions for trainees who must support themselves while they participate in the program.

Part-time training can be set up so that participants have an opportunity to support themselves with part-time jobs. Denver's new skill center emphasizes part-time training for that purpose. In other cases, perhaps particularly in rural service delivery areas, school buildings could be used for afternoon and evening training. According to some administrators, however, converting to part-time training fits the old cliche, "Easier said than done." The planning, coordination and logistics involved in converting to part-time training qualify as a major effort for some service delivery areas and could overwhelm an already-limited administrative budget.

3. Making Better Use of Time in Training

Attending training without stipends is likely to be a financial strain for most enrollees. Reducing time spent in training is a natural response to the elimination of stipends. However, there is research evidence that longer term training pays off in greater income and employment. Although selection bias could account for those results, no one has been able to interpret this finding definitively. The regression method of computing performance standards builds in a factor to account for length of training, so there should not be a performance penalty for longer term training's understandably higher cost per placement if the Governor chooses to use the regression methodology. Thus, service delivery areas should avoid the temptation simply to shorten training to accommodate the elimination of stipends. Carefully planned efforts can be tried, monitored and evaluated.

Improving assessment capability emerges as enormously important throughout the discussion of helping participants manage during training. Effective assessment can pinpoint skills an enrollee already possesses, so that training can focus on filling in the gaps. It can help enrollees examine their aptitudes and abilities in light of job requirements. Good assessment saves time and money by preventing the referral of trainees to unsuitable training. All too often in the past, a quick mind and a warm heart have been the only preparation counselors had for handling the enormously complex problems of poor participants. Even today, most social programs provide virtually no training to counselors. As one CETA director said, the key to eliminating stipends is the counselor; training and support are crucial.

Reesman, Rupp, and Mantovani captured the importance of assessment in their report for the Commission, "Coordination and Cooperation between SCSEP and CETA Operations," when they quoted a CETA director as follows: "Individualized enrollee assessment means that we are in a position to meet the performance standards by expending the fewest resources on the most job-ready enrollees. Therefore, we are free to develop more extensive service plans for the less job-ready. We don't see that there is a need to 'cream' to meet standards if you can deploy your resources appropriately."

Competency-based curriculum design deserves its own volume. Nevertheless, it is impossible to survey recommendations for adjusting to non-stipended programs without raising the issue. It requires the careful identification of specific skills and abilities--competencies--that are needed on the job and the design of training to permit each student to master those individual skills. For example, in a competency-based system, one need not study for a high school diploma in order to learn the basic reading and math skills needed for a particular job. The student, instead, could study and practice the typical reading and math problems that arise on the job. While this level of achievement is no comparison to the diploma, it does permit students more quickly to achieve the limited goal of improving their employability.

Open entry, open exit training has been recommended almost universally. Although some people think computerization is necessary to adopt this approach, no such capital investment is necessary. This approach does require a shift from traditional curriculum design to the identification of specific desired competencies, around which modules of instruction are constructed. In addition, the service delivery area must be prepared to purchase class-size training for the full year to operate its own such course. Smaller service delivery areas, therefore, must depend on persuading their service providers to make the change to open entry training. Students leave the course when they have mastered the desired skill or skills.

In some cases, entry is genuinely wide open. Classes are student-centered to the extent that a person can enter any day. More frequently, an overall course is divided into free-standing modules. Students may enter at the beginning of any module, such as every Monday or once every two weeks.

Open exit training is a bit more complicated to arrange. In fact, most open entry training has one or more exit points at the end of individual training modules. However, there is often an on-going encouragement for students to job hunt even while training is underway. The training design may encourage students to leave as soon as they can get an appropriate job. Some training is truly open exit, because it is entirely self-paced.

The formal definition of training completions will take on new significance in those service delivery areas where unit cost contracting is used to reduce administrative costs, particularly since trainees who do not receive stipends are expected to be eager to obtain paid employment. Specifically, the law says that unit cost contracts must be let competitively, must include performance criteria, and must be available commercially. The regulations add several requirements, one of which is that full payment of the full unit cost can be made only upon completion of training and placement into unsubsidized employment in the occupation trained for and at not less than the wage specified in the agreement. Thus, in designing a course, the service delivery area might define "completion" as either finishing a specified curriculum or obtaining a job in the skill area. That would reduce the penalty to training operators whose trainees find appropriate jobs before the closing date of the course.

Training in occupational clusters is usually associated with open entry, open exit training and may be more suited to the changing demands of today's labor market than training in single job skills. As in the use of training modules, it can have several exit points, so enrollees who must drop out for financial reasons may have still achieved certain saleable skills. Those who can stick with the whole course should be better served by the broader preparation for an overall occupational area.

A cluster of modules on auto maintenance, for example, might include, among others, a module on front end allignments, another on brake servicing, and another on muffler installation. An enrollee with pressing family responsibility might take just the first module, perhaps in combination with job survival skills training, and then get a job as a front end specialist. Another enrollee may be preparing herself for a generalized auto maintenance position; she would take all modules in the cluster except those she already had mastered.

Tiered training modules are a series of training modules which build upon the skills learned previously. Combined with careful assessment of individual trainee skills, tiered modules can eliminate unnecessary weeks of training for some enrollees.

4. Designing participant support systems

Discussions with administrators reveal that the establishment of an effective participant support system was widely viewed as the primary solution to the elimination of stipends.

Making use of other programs for subsistence and/or support becomes much more important than in the past once stipends are eliminated and work experience wages severely limited. Again, training for counselors is essential. The State of Colorado is considering plans to provide training for counselors and intake workers throughout the State on the various Federal and State programs available, eligibility requirements, and how to gain access to their resources. Many service delivery areas plan to develop organized systems of access to the most heavily used services.

In most service delivery areas, the linkage with welfare programs is likely to be the single most significant cooperative arrangement. Because welfare recipients do have a sure source of subsistence income, they can be expected to participate in training with only support for the added costs of coming to training. Under CETA, those costs were covered by the $30 weekly incentive check paid to Federal welfare recipients in training. Because of the JTPA cost limitations, numerous service delivery areas do not plan to provide expense support to welfare recipients. There are some early and very tentative indications that the absence of the $30 expense check may cause a drop-off in enrollment of welfare recipients. However, this information came from a very small sample of service delivery areas in the first two or three months of JTPA, and cannot be relied upon as yet. And Commission-sponsored research on CETA experiments with eliminating stipends suggests that--at least at the support levels available in the experiments--enrollments of recipients of Aid to Families with Dependent Children gradually increased. It is simply too soon to tell whether JTPA's cost limitations will alter that experience.

Most recipients of Aid to Families with Dependent Children can attend non-stipended training without losing their welfare grants. In every State, it is safe to assume that individuals who do not have to register for the Work Incentive Program (WIN) may volunteer for non-stipended JTPA training without losing their welfare benefits. Program operators should check their State procedures before assuming that WIN registrants who are not receiving WIN services, i.e. who are in a "holding" status, may also enroll without losing benefits.

For mandatory WIN registrants, JTPA training may be an allowable substitute for the workfare job requirement or the job search requirement, depending on State law. However, Oregon and Illinois require that WIN demonstration registrants and WIN registrants, respectively, fulfill the entire job search requirement prior to entering training. It is not clear whether any State prohibits a person who is required to take a workfare job from entering JTPA training instead.

Welfare grant diversion may provide an opportunity to supply welfare recipients with job training. In the typical program, welfare payments are diverted from the eligible individual into a training fund that may be administered in a variety of ways. However, at the present time, Federal interpretations of current law prohibit grant diversion projects except on a pilot basis. Moreover, the newness of the Federal authorizing legislation, administrative expenses, and problems of computing and recomputing the amount to which individuals are legally entitled and applying these changing amounts to a stable training program have all combined to limit the use of even pilot projects.

General assistance is often provided by the State or county government to support people without children who do not fit any of the Federally defined categories for assistance. In cases where these people may continue to receive subsistence grants during training, they will be attractive clients because of the lack of need for expensive child care and because of the hope of removing them from public assistance permanently.

Unemployment insurance (UI) may be another resource for JTPA participants. Since most Title II-A enrollees must be economically disadvantaged and since most States have increased the work history qualifications for unemployment insurance in the last year or two, it seems unlikely that many unemployment insurance beneficiaries will be eligible for Title II-A. In the past, relatively few UI recipients enrolled in CETA; however, this may reflect a State or local administrative decision to remove them from State-funded unemployment insurance when they qualified for the Federally-funded CETA stipend. Whether or not that was the case under CETA, the lack of stipends will encourage UI recipients who do enroll to try to retain their unemployment benefits. According to Federal law, unemployment insurance recipients enrolled in State-approved training may continue to receive benefits. State approval criteria vary in their treatment of Title II-A training.

Title III services for displaced workers are an exception to the rule that the States approve training. The national Unemployment Insurance Service recently issued Unemployment Insurance Program Letter No. 32-83 to implement section 302 of JTPA. The program letter rules that State unemployment compensation laws will be out of compliance with Federal guidelines unless all Title III JTPA training is "approved." Except for delays in changing State laws or regulations or in getting the word out to employment security agency workers, the Labor Department expects this ruling to eliminate most barriers to enrolling unemployment compensation recipients in Title III training.

Pell grants have been used by some CETA prime sponsors as major sources of income for participants. Balance of State Colorado helped every eligible enrollee apply for the grants, for example. Because the grants are an entitlement for those who qualify, they are particularly attractive to JTPA administrators.

Other benefits or resources should be used to the maximum extent possible. Appendix F includes a copy of the form used by the WOW Consortium, where each enrollee asserts his or her ability to afford to attend training, need for a part-time job, or desire for assistance from the program. Only if the enrollee says he or she needs assistance does the service delivery area gather information on savings, other family income or benefits in order to determine whether benefits are available and, if so, how much. In this case, the whole range of income and support is considered, from personal savings to veterans benefits and social security.

Direct Payments and Services

The most obvious way of supporting clients is to provide certain services directly, such as child care, transportation, and emergency shelter. Providing such services often is the best means of reducing the time, energy and number of enrollees lost to such problems. In addition, if large percentages of enrollees need a particular kind of help, it can be less expensive to sign a single major contract for service than to assist individuals on an ad hoc basis. On the other hand, the availability of such services may not reflect the real world. Enrollees do not learn to handle such arrangements and they may not understand how expensive such things will be once they get a job and are on their own.

Helping participants find part-time jobs could be the core of the JTPA support system. Again, pressure is put on program staff to be aware of job possibilities in the community. However, this activity could be charged to the "training" cost category based on section 629.38 (e)(1) of the regulations. Helping enrollees in this way could be a major new thrust of the job developers' effort, particularly if part-time work could be found in the occupations for which training is provided. Although training-related jobs would be the ideal, any job could provide the income necessary to keep an enrollee in training. One Washington expert suggested that some employers in high turn-over industries might be persuaded to save part-time jobs for JTPA referrals if enrollees completed world of work orientation beforehand. In other words, if JTPA referrals were more reliable than workers hired off the street and if JTPA could offer prompt substitutes for "no-shows," employers in fast food franchises and similar businesses might be willing to reserve some part-time jobs for trainees for whom the income is essential.

Cash payments may be provided to participants so that enrollees can arrange for their own services. Many practitioners prefer the administrative simplicity of cash payments and feel that they are less paternalistic than the direct provision of services. On the other hand, they may be more expensive than other approaches and some inefficiency is inevitable since participants may not always make wise decisions with their money.

While stipends have been prohibited under JTPA, cash payments are still possible within the dollar constraints of the 30 percent rule, bearing in mind the possibility of waivers as well. These needs-based payments are defined in section 204(27) as "...payments necessary to participation in accordance with a locally developed formula or procedure." Again, however, the regulations add criteria beyond those mentioned in the law. Because of those restrictions, donations of private funds, State or local funds, or linkages with other programs that could pay subsistence might be considered.

Each aspect of the participant support system can be standardized or individualized. An individualized system may be the ideal. If the system works well, each enrollee receives only the help that he or she needs to

become self-sufficient and to participate successfully in training. The benefits include a better attitudinal effect on the client, greater cost-efficiency and a savings of 30 percent funds because job readiness assessment costs are part of the "training" cost category under JTPA. Every program uses individualized services to some extent. For example, emergency food, shelter, or medical help are always provided on a case by case basis.

Drawing fair distinctions among enrollees can be difficult in theory and administratively, however. To operate an effective individualized system, a service delivery area must have good procedures and strong managers to implement them. If either the procedures or the implementation is faulty, the service delivery area can expect enormous problems from grievances, appeals, etc. If the system creates an "entitlement" to funds or services based on income or other criteria, sloppiness or arbitrariness in any part of the determination can embroil the whole system in time-consuming controvery that could undermine its reputation and effectiveness in the community.

Because of these difficulties, a standardized system is often the more practical design. Unless the service delivery area is convinced that its procedures and management will be practically foolproof, a standardized system will probably save money, time and good will. In rural areas, in particular, staff shortages may make it necessary to minimize the time spent on individualized determinations so that staff can individualize the training plan. In such cases, a set payment or standard set of services is available to each enrollee who needs help to stick with training. On the negative side, given the provisions of Federal regulations and potential State regulations, it may be difficult to construct a needs-based system that meets the intent of regulations. And administrative savings from a standardized system could be offset by greater costs for the payments.

Most service delivery areas will probably combine the two approaches, based on an evaluation of prior systems, resources available and local needs. For example, writing individual checks may not be a disadvantage if a local government or business donates that service. In other areas, the administrative expense of individual check writing combined with necessary documentation and error correction is prohibitive. Some examples of systems include the following:

- At intake, counselors are trained to make a maximum effort to find other community resources to support clients, e.g. welfare, food stamps, unemployment insurance, veterans benefits, Pell grants, Title XX child care. This is, obviously, highly individualized assistance. Standardized services or payments are available for those who cannot qualify for other needed help.

- A flat "needs-based" payment is provided for the first six weeks or so to all economically disadvantaged participants, with the understanding that the client will have to find a part-time job and make other necessary arrangements to continue participating after that. Case by case exceptions would be possible, but rare. This design addresses the potential motivational deficiency up front. Clients may be offered

help in making arrangements for their own support. In addition, incentives for positive participation could be provided, such as completion incentive payments at the end of training or donated scholarships for higher education for the best students.

- o Every enrollee might receive two bus tokens per day of training, based on an assumption written into the plan and each enrollee file that all trainees will need transportation help. Child care and limited emergency support would be available on an individualized basis.

Outside resources of some sort, however limited, are available to nearly every service delivery area. Because of JTPA's restrictions on participant support spending, this is a good area for the use of donations. Again, in the context of an overall local planning process, the service delivery area will want to encourage particular types of assistance.

Among the most frequent uses of outside funds are the creation of a "brotherhood fund" or similar emergency pot and the creation of a small pool of funds to buy refreshments for meetings and other incidentals for encouraging citizen and business participation. Sometimes enough money or in kind donations can be obtained to provide services, like emergency shelter, that may be desperately needed but relatively expensive per person. Baltimore's Blue Chip-In program creates jobs for enrollees on a large scale, but smaller efforts could provide spot support for some individuals facing pressure to abandon training.

Approaches to soliciting donations include the following:

- o Cash contributions. Some private industry councils hope to reach a point where satisfied employers feel a need to contribute.

- o In-kind donations. Local government and industry are already donating services, space and equipment in many areas. Some programs aggressively solicit this kind of support.

- o Loaned personnel and volunteers. These can be used more effectively than most programs have so far. Business people are often willing to conduct practice job interviews. Companies may allow employees to serve as tutors for enrollees or may even donate an executive to organize a specific effort, such as a summer jobs program or a particular training program. Volunteers might carry out major aspects of a post-training follow-up effort and, with training, regular volunteers could help enrollees qualify for other program support.

- o Traditional fund-raising. Events like concerts, raffles, and bake sales can be organized to support JTPA activities.

- o Tax exemption. Achieving tax exempt status can be a key ingredient in giving a new emphasis to this aspect of community involvement. The private industry council, a consortium corporation or a new foundation might be the organizational vehicle. State and Federal laws governing charitable contributions will dictate the details.

QUESTIONS AND EXPECTATIONS

Up until this point, this paper has attempted to synthesize information from a number of sources to help program decision-makers at the State and local levels think through the program design options available to accommodate the elimination of training stipends. After reviewing three basic considerations -- the economic needs of the area, appropriate target groups, and the cost limitations imposed by JTPA -- the paper outlined program options in four broad categories. First, it listed ways to motivate clients to enroll or to stick with training despite the financial difficulties non-stipended training presents. Second, the paper examined adjustments to the traditional program components, such as increasing on-the-job training or providing part-time training, that make it easier for enrollees to support themselves during training. Third, the paper listed a number of improvements that could maximize the efficiency of the time spent in training. Finally, it reviewed participant support systems that could be used to assist clients in lieu of stipends.

Rather than draw conclusions from the analysis so far, it may be more accurate to say that one can make a few tentative predictions. Although a few of those predictions are fairly solid, most are no more than hunches. Nevertheless, it may be useful to point to those questions that demand continued scrutiny.

Because stipends represented a substantial percentage of the cost of training under CETA Title II-B, the clearest effect of the change to non-stipended programs is to stretch the training dollar. More people can be trained for the same amount of money. For example, before Denver eliminated stipends, it spent 43 percent of fiscal year 1981 Title II-B CETA funds, and 23 percent overall, for stipends. Classroom training cost $5,358 per person, but when mandatory stipends were excluded, the cost dropped to $2,358.

However, the increase in participation does not correspond directly to the amount saved from allowances. Denver estimated that necessary added support services accounted for a third of the funds saved when stipends were eliminated. Moreover, Denver's switch to non-stipended programs coincided with a decision to shorten the average duration of training and to obtain most training from a new skill center designed specifically to serve CETA participants.

The JTPA cost limitations are a further complicating factor in predicting the increase in training capability. On one hand, by decreasing the amount that can be charged to participant support, JTPA should mean a slight further increase in the numbers who can be served. On the other hand, if available mechanisms for adjusting the JTPA cost limitations are widely understood and used, there may be less of a net change than expected in the cost per trainee compared to CETA experiments with non-stipended programs.

Practitioners should also expect changes in the complex area of client motivation. When the stipend is eliminated, training ceases to be an income option for the enrollee, so he or she must focus on the potential for income through finding a job at the end of the training. Over and over, administrators who have tried the elimination of stipends mention their delight in working with more motivated clients. Further, trainees may be more demanding about the quality of training; if they don't see a good job in the future, they will be more inclined to drop out.

What is not clear is the extent to which the absence of a stipend discourages the less motivated client from enrolling at all versus the extent to which it simply forces clients who enroll to focus on the outcome of training. Howard Bloom's analysis of client characteristics in CETA prime sponsorships that eliminated stipends in fiscal year 1982 concludes that measurable characteristics did not change significantly. The analysis could not answer these questions:

- Did less motivated people screen themselves out?

- Did the "same" people enroll who would have if stipends were paid, but become more motivated toward placement because of the absence of stipends?

Research is inconsistent in predicting changes in measurable client characteristics. Howard Bloom's preliminary study of CETA prime sponsors that eliminated stipends prior to JTPA suggests that there will be little effect on client characteristics, other than the observation about motivational improvements and a possible increase in AFDC recipients' representation. However, the report qualifies those early findings because they are based on the limited sample of prime sponsors that eliminated stipends in fiscal year 1982. The final report, which is expected in February or March 1984, will include analyses of the fiscal year 1983 sites, roughly doubling the sample size. The study of Manpower Development and Training Act (MDTA) enrollees cited by the National Commission's 1982 report suggests, on the contrary, that heads of families will find it difficult to enroll. And the very earliest reports from some JTPA service delivery areas showed recruitment and retention in flux, as expected in the first months after stipends were eliminated.

Some new factors may also affect the selection of clients under JTPA. As mentioned previously, the cost limitations have reduced the amount of funds available to support participants, even beyond those levels that had been tried by CETA prime sponsors that eliminated stipends early. The presence of new decision-makers on private industry councils may influence programs' selection of participants. The absence of positive outcomes for in-school youth in the Federal reports combined with the new placement requirements for unit cost contracts might discourage enrollment of youngsters who are still in school.

Finally, ignorance of the law and the performance standards may drive the system toward less disadvantaged clients. Conversations with practitioners at every level during the fall of 1983 revealed widespread misunderstanding, particularly about performance standards. Very few professionals in service delivery areas or national groups seemed to understand that, if States choose the Federal regression analysis methodology for performance standards, their performance goals will be adjusted for the relative difficulty of serving particular target groups. Similarly, they must meet tougher standards if they serve groups that are typically easier or less expensive to place. Decisions affecting this issue face each service delivery area, and they are potentially explosive.

Most observers expect a major increase in service to welfare recipients. First, they represent a significant percentage of the eligible population and are mentioned specifically as a target group in JTPA. Second, because they are receiving subsistence allowances from the welfare system, they are expected to be able to participate in training without losing benefits. While this is true for Aid to Families with Dependent Children, some general assistance programs would disqualify participants who enroll in JTPA training. Finally, Work Incentive Program mothers are generally strongly motivated to work. The Work Incentive Program reports many more volunteers for jobs and training than they are able to handle, and the Manpower Development and Research Corporation's supported work experiment demonstrated clearly that welfare mothers will even take a cut in income to get off of welfare.

However, even those CETA prime sponsors that eliminated training stipends were required to pay a $30 per week incentive allowance to recipients of Aid to Families with Dependent Children in training. JTPA no longer requires that payment and, because of the cost limitations, many service delivery areas have eliminated it. It remains to be seen whether that change combined with the added costs of attending training will affect the expected results.

Practitioners should expect some difficulties making the transition from a required minimum wage allowance to a system without stipends. Enrollees being carried over from the old system to the new present the first problem. Not only have they come to count on the stipend, there is a real potential for disillusionment when the rules are changed to their apparent disadvantage in the middle of training. Louisville, Kentucky, developed an excellent plan for handling the transition, described in Appendix E. Operational staff may need some attention as well. Because they are likely to identify with enrollees' frustrations, they deserve the courtesy of an explanation for the change. It is important to present the change so that it does not appear to be a betrayal of enrollees. Alternative arrangements for participant support should be presented along with the decision to eliminate stipends; and if outside funds are available, scholarships for those who could not complete their training without them would be an excellent use of funds. Finally, most CETA prime sponsors who have already made this change report a two or three month period of very low enrollments and massive drop-outs after the change, or the need to recruit where that had never been required. A few saw little such impact.

In order to make the change work locally, expect a period of trial and error. Every administrator interviewed about eliminating stipends reported a series of changes designed to respond to reactions within the system. One administrator said that the most important advice he would give is to prepare the private industry council, program operators and elected officials to expect changes. He urged others to avoid the expense of printing new procedures right away, for example; photocopy the new rules for distribution the first year.

Service delivery areas may want to test for unanticipated effects of the change. This may require a temporarily intense monitoring effort and a predetermined system for making policy decisions about necessary changes. Obviously, client characteristics and changes in enrollment and attendance should be watched carefully. In addition, it may make sense to track the implementation of program changes as well. For example, the Labor Department and many service delivery areas expect a substantial increase in the percent of funds spent on on-the-job training. This may be unrealistic for all the reasons outlined earlier.

The change to non-stipended programs presents each service delivery area with two major challenges. Working out an acceptable answer to the question of whom to serve, particularly in terms of insuring that eligible people with family support obligations can participate, will be difficult and of enormous interest to national policy-makers. The second major challenge to service delivery areas will be fitting the program adjustments necessary to meet legal restrictions on funding into locally identified program priorities and not vice versa. Long-term judgements about the success of JTPA will certainly depend on how well service delivery areas meet those challenges.

Appendix G

PROGRAM MODELS

Appendix G

WORK-EDUCATION

NAME OF PROGRAM: The Partnership Project

The Partnership Project is a joint enterprise between private business and public schools to prepare disadvantaged youths to meet the standards of employers by coupling jobs with education in a way which fosters the transition from school to work while forging continuing ties between classroom and work-place.

BUSINESS INVESTMENT:

These private sector initiated work/education programs for disadvantaged high school students began in Virginia in 1980 under the auspices of Youthwork, Inc., through a grant from the Edna McConnell Clark Foundation. They spread south to Alabama, demonstration projects. Typically the initiator has been a Private Industry Council or similar business oriented group; typically they are year-round programs with the students' wages paid by their employers; typically the private sector financing has been argumented by government funding; business people have focussed on basic academic skills as critical for employment in the primary labor market, and typically the Partnership devises a locally oriented work-related curriculum for participating schools; often institutions of higher education have joined the Partnership.

PROGRAM OBJECTIVES:

In December 1982 and January 1983, the Edna McConnell Clark Foundation and the Ford Foundation awarded major expenditure responsibility grants to Martin & Rosi, Inc., to:

- o stimulate local initiation of similar projects,
- o mesh Partnership Project efforts of local business and school people with activities of the new Job Training Partnership Act,
- o evaluate the process of initiating such local efforts and the impact on participants, and
- o promote the involvement of other national, regional and local foundations in these projects.

There are hundreds of thousands of young people from low income families who believe they can enter the workplace simply by staying in school. Many of them do stay, without understanding the relationship between school and what awaits them in larger society. Often little attention is paid to the needs and aspirations of these young people who are disadvantaged but not disorderly, who are staying in school instead of dropping out, who are not yet unemployment statistics, nor statistics of the criminal justice system, nor wandering street people.

Partnership Projects pay attention to these young people. They also pay attention to the concerns of many private sector employers, who feel that a vast majority of today's youths, especially urban minority youths, have little appreciation of, limited understanding of, and no commitment to the concept of real work.

These concerns, as expressed by major employers, are directed not only to what they characterize as the alarming deficiencies in the basic skills of high school graduates, but also to the negative attitudes these young people have toward management, fellow employees, supervisors, and the workplace in general.

Partnership Projects address these attitudes by introducing students to the workplace on a real — paid by the employer —basis. They address basic skills by relating the needs of a job to the resources of the classroom. They address student aspirations by avoiding low-pay low-skill industries and focusing on jobs with productive futures.

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CAREER AWARENESS

NAME OF PROGRAM: Private Initiative in Public Education (PIPE)

SPONSOR: Private Initiative in Public Education

ADDRESS: 215 Columbia
Seattle, WA
(206) 447-7244

CONTACT: Cynthia Shelton
Executive Director

PROGRAM OBJECTIVES: To help high school students make the school-to-work transition by giving them the opportunity to explore careers and gain world-of-work skills, such as dependability and punctuality.

BUSINESS INVESTMENT: Business involvement ranges from financial investment to contributions of time, personnel, and expertise. Each business contributes $2,000 a member of the project. Non-profit organizations may join without contributing financially. Companies are asked to work in partnership with a single high school but may also be "partners-at-large", working with all the schools in the city.

RETURN ON INVESTMENT: The PIPE program gives businesses the opportunity to have a say in how young people are being educated, and thus eliminates the need to retrain high school graduates for entry level positions. It also allows the company to make a contribution to the community and enhance community relations. An unexpected benefit is the noticeable rise in the morale of the employees involved with the students.

DEVELOPMENT: Five years ago, the Seattle school system launched a "self-imposed" desegregation plan which sparked new interest in the schools and in the need for continued high quality education. Realizing a growing need to make education a community responsibility, the school system began soliciting the support of local businesses and corporations asking them to donate not only money but, more importantly, their employees' time and expertise to the schools. The PIPE, based on the Adopt-a-School model currently being implemented nationwide, has evolved into a strong partnership between businesses and schools.

TYPES OF ACTIVITIES & SERVICES: In partnership with schools, businesses have started a range of approaches to help students make sound career decisions.

- The television staff at Pacific Northwest Bell worked with the TV - Communication classes at its partner school to produce a videotape about partnerships. The company contributed several employees once a week for 6 weeks to offer technical

expertise to students of radio and TV, as they learned how to produce a film, write a script and develop a videotape of high quality. Company staff also assisted the computer class and computer club in learning computer programming.

- Rainier Bank held a career day for students, highlighting a variety of career opportunities. The international branch of the bank has held small classes in basic economic survival skills. Two students have been hired for part-time work, and a list of job openings at the bank is posted weekly at the school career center.

- Honeywell conducted a successful all-day session for high school seniors. In six, 55-minute sessions, company representatives discussed resume writing, and students participated in mock interviews.

- More than a dozen high school students took turns "shadowing" a local news reporter for one day each week. Internships were established in the public affairs, news, and traffic reports departments of a local TV station.

- Ninth graders at another school are now required to take a one-semester course called "World of Work." First Interstate Bank of Washington (Pacific National) will consult with the school on the content of this course.

- A high school and Washington Mutual Savings Bank have offered two seminars on communications skills and business readiness. Several departments of the bank invited 15 students to under-study employees.

- CX Corporation staff introduced 40 high school students to careers in photofinishing. Special education students (physically handicapped) toured the firm to learn what kinds of jobs they might apply for and how to apply and interview for these positions. CX committed itself to hiring 20 students for summer employment.

IMPLEMENTATION STRATEGIES:

An experienced, committed project director who can communicate well with business people and educators is an essential ingredient to any school/business partnership.

The Board of Directors should include representatives of the founding partner firms and representatives from the school system, PTA, community groups, and others.

CAREER AWARENESS

PIPE is a non-profit organization supported by business which sets program policy and procedures. It is housed at the Chamber of Commerce, and the coordinator of the program is a loaned employee.

To make the partnerships work, business representatives must have the full support and committment of top management.

Teachers and other school personnel are encouraged not to request financial support from their business partners, but rather to request donations of equipment and time.

PARTNERSHIPS:

To make the partnerships as effective as possible in linking schools with businesses, the needs and resources of both the school and the company are carefully considered by the PIPE coordinator.

ESTIMATED COST:

The cost per student is not available because there are also donations of time, personnel, space, and other "in kind" contributions.

CAREER AWARENESS

NAME OF PROGRAM: Vocational Exploration Program (VEP)

SPONSOR: National Alliance of Business

ADDRESS: 1015 - 15th Street, N.W.
Washington, DC 20005
(202) 457-0040

CONTACT: Jane Herzog
Director, Special Programs

PROGRAM OBJECTIVES: VEP teaches young people about the world of work and gives them an opportunity to become acquainted with various occupations and careers giving them a perspective to help them make decisions about the future.

BUSINESS INVESTMENT: The level of employer involvement in a VEP depends on the in-house resources of the business. Employers who are most involved with VEPs have had up to four young people, for approximately 40 hours, observing and practicing the tasks involved in daily operations. Occasionally, businesses have set up training labs to offer exploration opportunities to 20-30 young people at a time. Other business contributions may include: 1) speakers to groups of students, conducting tours through their businesses or seminars to help introduce young people to the world of work; 2) loan equipment for training labs, and 3) loan of staff for the program.

RETURN ON INVESTMENT: Involvement in a VEP affords employers the opportunity to help shape behavior and attitudes that young workers will bring to their jobs. It also gives them an opportunity to screen potential employees.

DEVELOPMENT: The National Alliance of Business (NAB) and the Human Resources Development Institute (HRDI) of the AFL-CIO co-sponsored the Vocational Exploration Program as a summer program in 1977. With financial support from the U.S. Department of Labor, 60 sites were operating across the country. Local NAB and HRDI offices were responsible for selecting program operators including private companies and community organizations. In the summer of 1978, the number of programs increased to over 130. NAB staff visited sites to collect information for a year-round national demonstration and research project in 1979. The Vocational Exploration Demonstration Project tested various approaches to job exploration. The knowledge gained from this demonstration was used to assist other communities in setting up year-round or summer programs and to develop curriculum materials as well as research reports and standards to rate the value of the program for as well as participants.

CAREER AWARENESS

ACTIVITIES & SERVICES:

The range of activities that can be included in a vocational exploration program is unlimited. The following are some of the activities that can be used in various combinations:

- On site Exploration - Youths explore various jobs, occupations and careers at an employer's place of business by spending time in departments or by visiting employers. These cycles average 2 weeks each.

- Simulated Exploration - The world of work and particular jobs are explored by means of a simulated work environment such as a vocational technical school, skills training center, or union trade school.

- Employability Skills Development - Occupational exploration through a combination of activities which may include field trips, speakers, orientation to the local labor market, instruction on how to find, get, and keep a job, how to advance in a career, and survival skills such as money management.

- Special Projects - Exploration of a particular job or career through youth initiated projects. Past VEP projects have included small enterprises: publication of a newspaper, developing and running a cookie factory, media productions and career fairs.

- Counseling - Group and individual career counseling as well as personal counseling assure the effectiveness of the exploration activities.

- Educational Enrichment - Assisting youth in obtaining remedial education and General Equivalancy Diploma assistance.

- Supportive Services - Provide youth with special needs services such as day care, transportation, health care and special clothing and equipment needed on the job.

- Transition Assistance - While job placement is not the only goal, it is important to assist youth in moving from the program to some immediate goal whether it be unsubsidized employment, entrance into a skills training program, military service , school, or other longer term activity.

IMPLEMENTATION STRATEGIES:

A typical VEP staff consists of a project director, one counselor for every 15-20 youths, a secretary and instructors or curriculum developers as needed.

Summer VEPs generally run for 8-10 weeks and average 35 hours a week. Year round VEPs vary depending on whether the group is in or out of school.

To begin, the program should provide a general exploration of various jobs. Focus on specific occupational areas should come later in the program when the youths have learned the basic world of work requirements and have defined some career objectives.

The curriculum should include many "active" exercises and curriculum should be prepared well in advance to avoid possible "dead" time when the young people may become bored and disruptive.

Encourage youth participation in the planning and implementation of the program to give the participants a sense of involvement.

PARTNERSHIPS:

To increase the capacity of a VEP to teach young people about the work world, and the opportunities available in their communities, partnerships should be developed with schools, businesses, and community groups.

ESTIMATED COST:

The cost of running a VEP varies depending on the type of program and the resources of the sponsoring company or organization.

INTERNSHIPS AND WORK/STUDY

NAME OF PROGRAM: Jobs for America's Graduates

SPONSOR: Rockefeller, Aetna and Mott Foundations (national sponsors)

ADDRESS:
Suite 304
1750 Pennsylvania Avenue, N.W.
Washington, D.C. 20006
(202) 638-2958

CONTACT: Vinnie Lainson Carney

PROGRAM OBJECTIVES: Jobs For America's Graduates, Inc. (JAG) is a national, nonprofit, public service corporation designed to promote a comprehensive concept of motivation, job preparation, job placement and job retention in the private sector for all public high school graduates throughout the nation.

Its three-year goal is to test a model developed in Delaware that provides a transition for all the state's high school graduates to the private sector and follow-up services for nine months after graduation. The objective over the three-year period (1981-1984) is to successfully demonstrate--with convincing research and evaluation techniques--the viability of this concept in a variety of geographic, demographic, economic and social situations throughout the nation with an eye to its possible appli aton as a national approach to sharply reduce youth unemployment.

BUSINESS INVESTMENT: The type of involvement local businesses have in JAG varies from state to state according to the program needs. All test sites are nonprofit corporations with business people who serve on their boards and take part in all phases of the program. Businesses also provide financial support and, at some locations, take part in classroom activities.

RETURN ON INVESTMENT: Employers who hire JAG graduates find them eager to work and to perform well on their jobs. Hiring JAG graduates in entry level positions helps to overcome the cost of high employee turnover as they are likely to stay on their jobs for at least 9 months.

DEVELOPMENT: JAG began in Delaware in 1978 as Jobs for Delaware Graduates The JDG concept came from Governor Pierre S. du Pont's office to help alleviate the existing youth unemployment problem and become a preventive program in the future. JDG was originally implemented in eight of the state's 25 public high schools and is currently operating in 24 Delaware high schools. The Delaware concept was expanded to Jobs for America's Graduates and, is being implemented in schools in Arizona, Massachusetts, Michigan, Missouri and Tennessee.

INTERNSHIPS AND WORK/STUDY

ACTIVITIES:

The program is based on the following key features:

- o provide service to potentially unemployable high school seniors;
- o creation of a public service agency on whose Board serve the key leaders of business, government, education, labor and the community who agree to accept personal responsibility for the success of the program;
- o identification of potentially unemployable youth in the senior year of high school--before they join the ranks of the unemployed;
- o one JAG assignment of staff person to 30-50 young people;
- o motivation of youth through participation in a newly formed vocationally-oriented student organization, their preparation in basic "employment skills" identified by employers for entry level employees and their introduction to the world of work;
- o careful identification of known job opportunities with special focus on employers with up to 20 employees;
- o placement of youths in a private sector job with continuous follow-up for nine months after graduation;
- o improvement in their job status (a promotion or raise) during the nine-month period.

IMPLEMENTATION STRATEGIES:

Now funded by the Rockefeller, Aetna and Mott Foundations at the national level and over $3.5 million in public and private funds at the local level, Jobs For America's Graduates operates through separate nonprofit corporations at each test site. A contract between each test site and JAG assures standardized implementation of the program along the lines of the Delaware model.

Over 200 leaders of business, government, education, labor and the community serve on the local boards.

In keeping with a three-year strategy the program will be implemented under an agreement to assure (1) the Delaware model; (2) evaluation plan developed by JAG; and (3) extensive technical assistance for the best possible results.

JAG will collect nationwide data and evaluations on and closely monitor the successes and failures. At the end of the period, JAG will prepare a complete evaluation of the program for presentation

to national policy-making organizations regarding youth unemployment.

PARTNERSHIPS: The Jobs For America's Graduates Board of Directors is made up of a host of the nation's leaders in government, business, education, labor, philanthropic and civil rights organizations.

ESTIMATED COST: Average approximately $1,500 per placement

TEACHER AND COUNSELOR

NAME OF PROGRAM: Teacher-Business Program

SPONSOR: Rexnord

ADDRESS: P.O. Box 2022
Milwaukee, Wisconsin 53201

CONTACT: Carol J. Erwin
Director, Rexnord Resource Center

PROGRAM OBJECTIVES: To give teachers and business employees an opportunity to better understand each other's professional roles by working together at the company's offices. The teachers gain a better understanding of how and why business works and then translate that information into the everyday classroom experience.

BUSINESS INVESTMENT: The sponsoring business must decide which departments and supervisors will take part in the program, develop assignments, and lay the groundwork with the school system. Most often the teachers are from grades six through ten in the fields of social studies, English, home economics and guidance counseling.

RETURN ON INVESTMENT: Teacher/Business programs can help to build trust between the community and the company. Employees learn of problems faced daily by educators and as well as how they more support the school system. The program can also help to point out the interdependency of business and education and create a new dimension for everyday problem-solving.

DEVELOPMENT: The Teacher-Business Program is part of Rexnord's "Activate Someone" program which also includes three community/citizen action components. The Teacher-Business program was developed in an effort to build better understanding between business and educators and, reach as many students as possible. When the program was designed, the decision was made to bring teachers into the work place because that seemed the best way to give them an understanding of the operation of major corporations. The school administration took on the responsibility of promoting the program to teachers and Rexnord set up the internal operations.

TYPES OF ACTIVITIES AND SERVICES: The Teacher-Business Program is a five to six-week summer program for local teachers. The teachers are on the company payroll for six hours a day, at approximately $6 per hour. The company assigns the teachers to different departments in primarily white-collar, middle-management positions. All assignments include productive contributions to the company -- either special projects or routine assignments, and teachers are required to attend all regular management meetings.

TEACHER AND COUNSELOR

At Rexnord, teachers are assigned to summer positions in the following departments:

Division Order Department	Public Relations
Field Sales Office	Manufacturing Office
Advertising Department	Engineering Office
Market Research	Purchasing
Research & Development	Personnel

IMPLEMENTATION STRATEGIES:

- Planning should start at least four months before to the beginning of the program. The superintendent of schools should be contacted early to lay the groundwork for tasks that must be completed in cooperation with the business involved.
- The participating company shoud designate one staff person to organize and coordinate the program, follow up on details, and serve as liaison with the educational community.
- A program fact sheet should be available in the schools two to three months before applications are due.
- Teacher applications should be forwarded to the company at least a month prior to program start-up.
- Do not makework; give the teachers real jobs so their experience will be truly educational.
- Be flexible. If a teacher seems ill-suited to the assignment, make a new assignment immiedately.
- This is not a training program; teachers will learn from experience, not through lectures.
- Arrange a brief orientation session for selected supervisors and teachers two weeks before start-up.
- Give everyone involved an opportunity to evaluate the program and use the evaluations to refine the program for the next year.

PARTNERSHIPS: For a successful program, the office of the Superintendent of Schools must be fully committed and cooperate fully with the sponsoring company.

ESTIMATED COST: A portion of teachers' salaries.

NAME OF PROGRAM: Technical Training Project (TTP)

SPONSOR: Consortium of Companies

ADDRESS: 162 Broad Street
Newark, NJ 07104
(201) 484-8900

CONTACT: William Holt
Director

PROGRAM OBJECTIVES: The Technical Training Project, Inc. is a non-profit organization established and funded by a consortium of pharmaceutical companies and others to recruit, screen, and train entry-level workers for consortium members. The program's major objective is to provide participating companies with pre-selected, job-ready high school graduates trained by means of an industry-designed curriculum in state-of-the art procedures in industry laboratories for entry level positions in chemical and pharmaceutical companies.

BUSINESS INVESTMENT: The Technical Training Project is funded by contributions from the consortium members. The participating companies assign chemists and technicians to an advisory committee which helps the TTP staff to operate a program which is responsive to the rapidly changing demands of the industry. Many of the consortium members also provide hands-on training for the students. They also conduct tours and participate in seminars and workshops to help orient students to the world of work, specifically that of chemical and pharmaceutical companies.

RETURN ON INVESTMENT: The program makes available to the private sector a pool of prospective employees who are trained to work in specific types of companies and who are able to meet the technical requirements of jobs.

DEVELOPMENT: TTP was developed in the late 60's in response to new federal interest in programs for hard-to-employ youth. Corporate Executive Officers from 3 major companies decided to respond to the push for training programs by putting together a consortium of pharmaceutical companies interested in starting a program that would run solely on private funds and be responsive to the needs of the industry. Initially a consultant was hired to develop the training curriculum. However, the consortium, not satisfied with those efforts, took over the creation of the training materials which are still subject to change in keeping with recommendations from industry technicians. TTP, which opened in 1968 in a store front, operates its own site, with its own curriculum and resources, to keep down the cost of retraining and employee turnover.

ACTIVITIES & SERVICES:

The TTP applicants must pass the Metropolitan Achievement Test which gauges reading, math and vocabulary aptitudes. They must also perform well in an interview which assesses motivation, temperament, general interests and aspirations and they must have a sincere interest in pursuing a career in the sciences. Applicants considered to be the most promising future employees are admitted to the program after passing a pre-employment physical. The intensive, 16- week program includes:

- Review Session - Two or three days before the start of classes, an optional review session--for which trainees are not paid--is held to reacquaint them with decimals and fractions and to allow those who have been out of school for a number of years to ask questions in an informal atmosphere.

- Classroom Training - During the first eight weeks of the program students spend 38 hours a week in the classroom and two in the lab and all receive the same basic core curriculum. During the second half of the program, students are in the classroom 32 hours and lab 8 hours per week. Instruction focuses on basic chemistry and math. Participants get an introduction to biochemistry and biology, with brief coverage of anatomy and microbiology.

- Laboratory Instruction - The labs complement the theoretical instruction and include exercises and drills in topics covered in class. Prior to placing a trainee with a lab, TTP staff review and approve the training schedule submitted by the company.

- Pre-employment Training - Once a week during classroom training the assistant director of TTP counsels the trainees on pre-employment skills such as interviewing and resume preparation.

- Hands-on Training - After eight weeks of classroom and laboratory work, the trainees report to the various company laboratories for hands-on training. Instruction varies, depending on the size of the lab, the staffing, and the work load. Trainees may work closely with one trainer or may be guided through their laboratory exercises by several technicians. Trainees learn the latest techniques and work with the most modern equipment.

- Job Fair - Following the formal training a job fair is held. Companies are invited to visit the classroom training site and meet the graduates. A dinner and show signal the conclusion of the course and give students the opportunity to experience a formal social situation.

- Job Search - Trainees receive certificates of training and continue to receive pay for up to four weeks following the end of the course while they participate in job search activities. Most graduates are hired within 60 days after classes end.

- Trainee Evaluation - TTP has established a system of quality checkpoints to spot poorly performing trainees or inadequacies in the training in time to take remedial action. Satisfactory progress is not measured so much by grades as by the instructor's estimate of the individual's rate of achievement and overall grasp of the material. To prevent terminations, however, the program staff holds weekly evening meetings to assess each trainee's progress throughout the course. Ninety percent of those who enroll graduate.

IMPLEMENTATION STRATEGIES:

The training project must remain flexible in responding to the needs of the industry. State-of-the-art laboratory techniques are quickly incorporated into the curriculum via the technical advisory committee.

High standards are crucial to the program's success because a company's willingness to contribute time, personnel, and facilities hinges on TTP's ability to provide capable trainees and to monitor their progress at the worksite.

PARTNERSHIPS:

TTP uses community based organizations which have established reputations in youth employment programs as sources for referrals. Staff members also maintain contact with the local Private Industry Council, CETA and WIN programs.

ESTIMATED COST:

$4900 per placement.

JOB TRAINING

NAME OF PROGRAM: STEP (Skills Training Educational Program)

SPONSOR: Security Pacific National Bank

ADDRESS: Security Pacific Plaza
333 So. Hope Street, H8-10
Los Angeles, CA 90071
(213) 613-6682

CONTACT: Gayle Jasso
Director

PROGRAM OBJECTIVES: Security Pacific's prime objective in operating Project STEP is to provide training for high school students and some adults for entry level banking jobs that are in demand. The educational institutions supporting the program seek to give students an opportunity to learn practical job skills in an actual business environment where they are taught the latest banking business practices by bankers who serve as teachers.

BUSINESS INVESTMENT: The bank furnishes the training facility (outside of regular banking hours), teaching materials, and employees who are willing to become involved in the program as teachers. A two-person staff at the bank coordinates the statewide program with over a dozen Regional Occupational Programs. The cost to the bank is low, particularly in view of the "return on investment" in the form of well-trained, highly motivated entry level employees.

RETURN ON INVESTMENT: Project STEP helps the company meet its Affirmative Action goals and recruit skilled, experienced entry level personnel. It also boosts its image in the community and its employee morale.

DEVELOPMENT: Early in the 1970's, the Los Angeles Unified School District realized that it needed to expand its vocational education in business fields to keep up with new technology and changing trends. California's State-funded Regional Occupational Programs (ROPs), work with school districts throughout the state to ensure that training will meet local employment needs. ROPs and the LA Unified School District, worked with Security Pacific Bank to develop the first business vocational classes which became the model for Project STEP. The bank then expanded the program statewide and established more than a dozen ROPs which now serve numerous California school districts. The program serves mutual needs--the schools can provide more opportunities for students to train on the latest equipment, and the bank has available well-trained entry-level workers which cuts the cost of high employee turnover. Security Pacific Bank had been involved in traditional OJT programs and welcomed the opportunity to become involved in an innovative program which would train over 2,000 students per year.

JOB TRAINING

TYPE OF ACTIVITIES & SERVICES:

Security Pacific Bank's Skills Training Education Program, is a business/education partnership which gives students entry-level job skills in banking and helps prepare them for the world of work.

- Project STEP offers over 100 classes in a wide variety of banking job skills. After regular banking hours, bank offices become learning laboratories, and bank employees moonlight for several hours as teachers with the full support and approval of their employer.

- "Banker-teachers" teach the courses on their own time and are paid at standard teaching rates by local school districts. They are required to obtain on their own time, the California Designated Subject Teaching Credential, which is granted after satisfactory completion of a 60-hour teacher training course. In addition, employees must have five years of banking experience or three years plus a related college degree to qualify as course instructors. According to the program director, Project STEP is a great "morale booster" for some 100 bank employees who participate as coordinators, teachers or substitute teachers. The categories of employees who serve as teachers range from assistant vice president to supervisor and confirmation clerk.

- Like their banker-teachers, students become involved in Project STEP on their own time. On the recommendation of their advisors, they enroll in the courses as electives and receive school credit and grades. Courses are held Saturdays and evenings.

- The banking industry lends itself to a comprehensive career education program such as Project STEP because there are banks in virtually every community. Banking job-functions vary little from one locality or banking institution to another yet it is often difficult for banks to fill entry-level positions because of high turnover rates.

- Basic bank teller instruction accounts for aproximately half the 100 classes offered and is taught in 26 different bank locations. Project STEP's latest course is its 6-hour Personal Economics Module offered to students in the Los Angeles Unified School District. The course covers the basics of checking and savings accounts, loan application and proper use of credit cards.

- The length of a class ranges from 70 -180 hours depending on the difficulty of the skill and complexity of the equipment. There are approximately 20 students in each class.

IMPLEMENTATION STRATEGIES:

Consider hiring a former teacher with business experience to coordinate the program and to serve as a bridge between the school and business communities.

Start small. Project STEP began with three pilot project classes. After they succeeded, the project grew. It expanded rapidly and before long reached its present size of over 100 classes.

Project STEP requires a serious, ongoing commitment from the participating company and a heavy commitment of human resources.

In seeking support for the project, stress the benefits to the company. Project STEP has greatly improved the public relations of participating banks.

Consult with educational authorities at every step of the way. The most successful business-based career education and exploration programs are those that build a strong partnership with education.

Support of top company management is essential to the success of a program of this type, together with the full support of the school district.

A faculty meeting once a year, just before starting up in September, helps to reorient the "banker-teachers" to the program goals and raises motivation.

PARTNERSHIPS:

In California, the Regional Occupational Programs (ROPs) maintain contact with the business community to ensure that school training is in tune with the employment needs of the local community. The ROPs involvement in the program and the financial committment and support of the top management at Security Pacific Bank has been essential to Project STEP's success.

ESTIMATED COST:

Not available. The cost is shared: The ROP pays the banker-teachers during class time and the bank covers the cost of teaching materials and provides facilities and equipment.

NAME OF PROGRAM: 70001 LTD.

ADDRESS: 600 Maryland Avenue, S.W.
West Wing, Suite 300
Washington, DC 20024
(202) 484-0103

CONTACT: Mary Morehouse

PROGRAM OBJECTIVES: To provide young adults -- particularly disadvantaged youth -- with pre-employment skills, job maintenance skills, and positive attitudes toward the world of work and to assist trainees who successfully complete the program to land unsubsidized jobs that will give them meaningful and productive careers.

BUSINESS INVESTMENT: Business involvement with a 70001 program may simply involve hiring program graduates as entry-level employees, or may be as broad as funding programs and designing curriculum to teach skills specific to an industry (see the Detroit Pre-Employment Training Center under Job Training Programs).

RETURN ON INVESTMENT: Through this program, businesses are given an opportunity to hire entry-level employees who are motivated and who have a basic understanding of their responsibilities to their employers.

DEVELOPMENT: 70001 Ltd., began in 1969 as a joint effort of the business community and the school system in Wilmington Delaware to help eliminate the growing problem of youth unemployment. Retail businesses felt that they were suffering the ill effects of out-of-school, unemployed youth with nothing constructive to do. They felt the need for a program that would be mutually beneficial. The Thom McCann Co. funded the research and development of the original 70001 model which was run by the Distributive Education Clubs of America (DECA), part of most public high school's vocational curriculum. DECA began the 70001 project for high school dropouts, based an the in-school model that provide general education, job readiness training and motivational training. 70001 has grown into a national model program that can be easily adapted to meet the needs of specific industries, and different age groups ranging from youths in school to adults. The current 70001 network consists of 35 programs in 15 states.

TYPES OF ACTIVITIES & SERVICES: Job discipline and motivation are the cornerstones of the pre-employment training.

- The curriculum introduces trainees to the requirements of entry-level employment and job search procedures and focuses on jobs that coincide with local labor market needs. Consumer

information emphasizes the intelligent use of spending money as an important part of the pre-employment training program.

- Participants belong to a career association, Seventy Thousand One Career Association (SEVCA). It reinforces the skills and attitudes learned during the formal training sessions, and provides leadership opportunities for participants.

- Because most program participants are high school dropouts academic tutoring is an integral part of the pre-employment training. Participants receive General Equivalency Diploma instruction, and those who earn their GEDs attend formal graduation ceremonies.

- Participants periodically discuss problems and progress with the staff and each participant is evaluated before the end of training.

- The job developer works closely with employers in the community to identify openings for participants. As the trainings ends, the job developer meets individually with each participant to evaluate his or her record and performance in mock job interviews, the job developer determines the level of job readiness and makes appropriate referrals based on the evaluation.

IMPLEMENTATION STRATEGIES:

A 70001 program can be funded and administered in a number of different ways including:

- A complete 70001 program directly administered by national 70001 office and funded with local resources.

- A complete 70001 program funded with local resources and administered locally with technical assistance and materials from the national office.

- Statewide network of 70001 programs funded and administered locally or by national 70001 office under contract with the state.

- Statewide network of programs funded and administered by the state with assistance and materials from 70001.

- "Satellite" program near an existing 70001 site.

- Consolidation of traditional 70001 program for dropouts with other related educational, health, transportation and job training services.

OUT-OF-SCHOOL

- "Expanded" 70001 program serving not only dropouts, but disadvantaged adults, ex-offenders, and in-school youth.
- 70001 program combining orientation to careers in specific industries linked with job referral and placement.
- Linkage between 70001 program and vocational education or CETA job skills training program.
- Training and technical assistance from 70001 to improve skills local staffs need to work with disadvantaged youth or create partnerships with businesses.

PARTNERSHIPS: Partnerships with schools, social service agencies and other youth serving agencies are needed for recruitment. Linkages with many private businesses will increase the number of placements in unsubsidized positions.

ESTIMATED COST: Approximately $900 per graduate.

SUMMER PROGRAMS

NAME OF PROGRAM: Summer Jobs Program

SPONSOR: Ralston Purina

ADDRESS: Checkerboard Square
St. Louis, Missouri 63188
314/982-3227

CONTACT: Earlyne Thomas
Manager of Urban Programs

PROGRAM OBJECTIVES: Ralston-Purina's objective is to provide funding for the summer employment of disadvantaged youth who have completed their junior year in high school and are potential drop-outs because they lack the money to stay in school.

BUSINESS INVESTMENT: Ralston Purina establishes the standards used to evaluate the program proposals, requests and reviews, and chooses the proposals for funding; monitors the programs by ocassional site visits and on the basis of evaluation reports from the program operators. By contracting with local agencies, Ralston Purina is able to maintain "quality control" over programs without involving staff at all of their plants. Businesses involved at the local level offer supervision and training for the youth for 20 hours a week for 10 weeks. Employers often hire their summer workers, at their own expense, for an additional 20 hours a week. Some employers continue to employ the youth part time after school or full time after they graduate from high school.

RETURN ON INVESTMENT: Ralston-Purina offers funds for the summer jobs program as a community service. However, as a long-range benefit, the program increases the number of people who are well prepared to work in cities across the country where Ralston Purina plants are located. The businesses employing the youth in summer jobs benefit by augmenting their summer work force and by building a trained future work force.

DEVELOPMENT: Ralston Purina began its national summer jobs program in 1971 in response to the increase in youth unemployment. In setting up the program, the corporation decided to run it without government funds to provide complete autonomy in selecting jobs that provide meaningful training to youth. Concentration on specific skill areas was considered more important than simply offering a summer job. The decision was also made to offer the program only to high school juniors to help them stay in school and to provide them with future-oriented training they could build on after graduation.

SUMMER PROGRAMS

TYPES OF ACTIVITIES & SERVICES:

Ralston Purina makes grants to community based agencies which serve young people in cities across the country where Ralston Purina plants are located.

- The grant provides minimumm rates for youths and covers the employer's portion of the F.I.C.A. tax, worker's compensation and unemployment compensation as required by law for a particular job or job location.
- Funds are allocated for 20 hours of work per week, for a period of ten weeks. Funds are available for no more than 30 jobs per proposal.
- If an organization can't underwrite the costs for an internal supervisor who will oversee the summer jobs program, Ralston Purina will consider funding a percentage of one supervisor's salary. Where assistance is justified, funds are provided for:

  20% of supervisory costs if 10 to 20 youth workers are funded.

  35% of supervisory costs if 21 to 30 youth workers are funded.
- In order to provide for the administration of the program, some money is available for administrative costs.
- Agencies that are singled out for funding must submit a mid-program and a final evaluation report.
- Proposals are funded on the basis of the types of jobs to be offered to the youth. Each proposed job is evaluated on its skill-producing and/or skill-using potential. Jobs which only serve to "introduce" the worker to a field without providing real "hands-on" experience are not considered for funding.

IMPLEMENTATION STRATEGIES:

- In January, Ralston Purina sends out agency proposal kits to a list of potential sponsors throughout the country --those identified by Ralston Purina plants, former participants, and agencies that have requested the kit.
- Potential sponsors are given requirements for proposals: the type of jobs to be funded, the skill level desired, youth salaries, range of subsidy for supervisor's desired salaries,

deadlines, maximum number of jobs per sponsor, and other conditions. The proposal kit also includes suggestions on how to conduct a successful summer job program and a checklist to aid in proposal preparation.

- When the proposals are received, a checklist is used to make certain that all required information is included. Proposals are then received by the Manager of Urban Affairs who selects agencies to be for funded and makes recommendations to the Directors for Social Programs and Public Relations.

- The Ralston Purina Urban Affairs office staff makes on-site evaluation visits to as many summer jobs programs as possible, first touring job sites and then visiting the sponsoring agency.

PARTNERSHIPS: Ralston Purina has established partnerships with the local agencies who operate summer jobs programs.

ESTIMATED COST: $736 per participant

SUMMER YOUTH EMPLOYMENT PROGRAM

OREGON

This performance contract bases payment on positive terminations as defined. The town advances funds at predetermined times. These payments must be amortized against units of performance. Because this contract is for work experience and bases payments on units other than placement, costs of the program would have to be allocated among the categories.

8. PARTICIPANT TRACKING

A) The SUBGRANTEE shall track the participants enrollment, activity changes and termination information via the Employment and Training Information System ( ). These changes must be submitted to the PRIME SPONSOR within three days of the occurrence.

B) The PRIME SPONSOR will provide training and technical assistance to the SUBGRANTEE on the completion of forms.

C) The SUBGRANTEE shall maintain participant files to include at a minimum: participants contacts, forms and participant evaluations.

9. PAYMENT PROCESS

A) The SUBGRANTEE shall maintain effective control and accountability over all funds, property and other assets covered by this subgrant.

B) The costs must be incurred within the period of performance of this SUBGRANT in conformance with the terms of the SUBGRANT, and shall not exceed the total SUBGRANT amount.

C) Allowable costs are the cost per participant terminated positively not to exceed the total dollar amount of the SUBGRANT, and stated in the budget which is Section B.

D) Draws of $25,000 will be given to the SUBGRANTEE on April 11, 1983, May 9, 1983, and June 6, 1983.

E) Beginning in June, the SUBGRANTEE will bill the PRIME SPONSOR on a monthly basis, based on the number of participants currently enrolled and positively placed. The total of the draws and monthly billings shall not exceed the contract total amount.

F) At the end of the program, the number of participants terminated pbsitively will be calculated and adjustments to the previous payments will be made. See budget for amount per positively terminated participants.

G) The PRIME SPONSOR shall verify a sample of the positive terminations prior to payments under this SUBGRANT.

10. TERMINATION of SUBGRANT and CLOSE OUT:

A) The PRIME SPONSOR, by written notice, may terminate the SUBGRANT, in whole or in part, at any time. This written notice of termination shall state the effective date of termination, which date shall not be set sooner than the date the SUBGRANTEE has been given notice of termination. Notice shall be considered received by the SUBGRANTEE the mail day after the termination notice has been sent to the address given by the SUBGRANTEE in its application for funding.

If the PRIME SPONSOR terminates the SUBGRANT under this paragraph, the SUBGRANTEE will be reimbursed for costs up to the effective date of termination provided that documentation of those costs are maintained showing their allowability under CETA regulations.

B) If the SUBGRANT is terminated for cause the SUBGRANTEE shall have ten (10) calendar days after receipt of certified letter in which to remedy the unsatisfactory condition and termination will become effective on the date stated in the notice if the unsatisfactory condition is not corrected to the satisfaction of the PRIME SPONSOR.

If the PRIME SPONSOR terminates the contract under this paragraph, the SUBGRANTEE will receive payment for the number of participants terminated positively .

C) Upon notice of effective termination, the SUBGRANTEE will immediately discontinue further obligation and commitments and close out all activities.

D) Upon termination of this SUBGRANT by expiration of the grant period, or for other reasons, the SUBGRANTEE will complete a financial settlement within timelines established in a closeout package which will be sent by the PRIME SPONSOR.

E) The SUBGRANTEE, by written notice, may terminate the SUBGRANT. The effective date of the termination shall not be less than fourteen (14) days after receipt by the PRIME SPONSOR of the written notice.

If the SUBGRANTEE terminates the SUBGRANT the SUBGRANTEE will receive payment for the number of participants terminated positively

SECTION B

BUDGET

$1,565 per positive termination* of 319 participants, not to exceed $499,114.00

*Positive termination is defined as any of the following:

A) Entered unsubsidized employment either in the private or public sector expected to last 90 days or more.

B) Entered or remained in full time academic or vocational school.

C) Entered an employment and training program not funded under CETA or entered a CETA program not operated by

D) Intertitle transfer.

E) Completed program objective (completed eight weeks of work experience and obtained basic work skills).

CLASSROOM TRAINING

NEW YORK

This fixed unit cost arrangement provides startup funds by paying the contractor for each client registered. Maximum payments for completions and placements are established to keep the contractor from simply recouping costs through extra completers and to limit the total amount payable. Extra placements, up to the maximum possible of 10 are paid at $200 per unit.

IV. DEFINITIONS

ENTIRE TRAINING PROGRAM - The entire training program shall mean a minimum of 90% or 850 hours of the program as outlined in this Agreement.

PROGRAM COMPLETER - A program completer shall mean a participant who successfully completes the entire program. Once this condition is met, the Contractor shall be entitled to completion payment as identified in Attachment "C" to this Agreement.

PROGRAM PLACEMENT - A program placement shall mean that a participant has been hired in a full time, permanent, unsubsidized position on the regular payroll of an employer or self-employed in an occupation related to training as identified under this Agreement, within ninety (90) consecutive days after the last day of training.
In order for the Contractor to receive placement payment, the program placement must be made at a wage rate of no less than $5.00 per hour and the placement must last at least 30 (thirty) consecutive calendar days.
Once these standards are met, the Contractor shall be entitled to placement payment as identified in Attachment "C" to this Agreement,

EARLY PLACEMENT - An early placement shall mean a participant who completes at least 463 hours of the training program and is placed in accordance with the definition of program placement. The Contractor reserves the right to make determinations of the trainees to be placed early.
Once these standards are met, the Contractor shall be entitled to payment for a program completer and a program placement as identified in Attachment "C" to this Agreement.

V. ADMINISTRATION AND MANAGEMENT

Institute is a private, proprietary, post secondary educational instutution. Its primary function is the preparation of students for responsible positions in the business world. It is accredited by the Accrediting Commission of the Association of Independent Colleges and Schhols and is authorized by the New York State Board of Regents to confer the A.O.S. degree. Curricula are registered by the Bureau of Two-year College Programs, Division of Higher Education of the New York State Education Department. Curriculum for the program has not been submitted for approval to the State Education Department since it is a non-credit-bearing training program. Initial responsibility for accounting and fiscal reporting rests with the corporation accountant who reports directly to the Controller-Assistant Treasurer. Ultimate responsibilities

V. ADMINISTRATION AND MANAGEMENT (cont.)

are exercised by the President and Treasurer of the company. All records of a financial nature, including all receipts and disbursements, are maintained in the Finance Office. Purchase order originating from the Program Coordinator are reviewed and authorized by the Controller. All financial records are audited annually by an independent auditing firm.

The school maintains complete files of all students in all programs, which contain registration information, academic progress reports, financial records and placement information. Reports are regularly made to the New York State Education Department and Department of Health, Education and Welfare and Employment and Training Providers.

Monitoring and evaluation of the program will be conducted by the Program Director, Program Coordinator, the Managing Director, and Academic Dean. This process is on a continuous basis.

For an organizational chart for the program, see the next page.

Attachment C
Fiscal Procedures and Reporting

The PIC agrees to pay the Contractor and the Contractor agrees to accept as full payment for the work and services performed and allowable costs incurred as outlined in the Program Narrative, "Attachment A", hereunder a sum not to exceed $ 31,792.00, payable in accordance with "Attachment B", which is attached and incorporated herein by reference, and subject to the following:

I. Initial Payment - The PIC will provide to the Contractor a payment of $1,145.84 for each participant that completes the first 5 days of class to a maximum of 10 (ten) participants.
Any participant terminating enrollment prior to and including the 5th day of class may be replaced by an alternate. Payments to the Contractor for alternates are subject to the 5 day completion requirement. In no event shall the total payment exceed $11,458.00.

II. Invoicing - The Contractor shall invoice the PIC as outlined in the following paragraphs. All requests by the Contractor to the PIC for payment shall include Program invoice PIC Form PBC-1. In addition, the Contractor agrees to furnish additional documentation as may be required in support of any claim for payment.

III. Cost/Completion - For each successful completion, as defined in "Attachment A", Program Narrative, up to and including a maximum of 9 (nine) the PIC shall pay to the Contractor $ 1,170.60.

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IV. Cost/Placement - For each successful placement, as defined in "Attachment A", Program Narrative, up to and including a maximum of 8 (eight), the PIC shall pay to the Contractor $ 1,174.76.

V. Incentive Payment - For each placement, as defined in "Attachment A", Program Narrative, above 8 (eight) the PIC shall pay to the Contractor $200 to a maximum of 2 (two) additional placements.

CLASSROOM TRAINING
JOB SEARCH ACTIVITIES

KENTUCKY

This JTPA performance contract provides youth (18-21) with employment preparation instruction and supervision and assistance in self-directed job search including enrollment in OJT. The Subcontractor receives its placement payment only after the participant has been retained 30 days after completing OJT. The State has defined OJT as "neither subsidized nor unsubsidized employment; OJT is an activity." Therefore, there is no placement until the participant is retained for the first day after completing OJT.

JTPA CONTRACT #
BUDGET

This will be a fixed-unit price contract, pursuant to Section 629.38(e)(2) of the JTPA Regulations. This contract is for training and OJT, at a fixed-unit price of $1,455.08 per participant (excluding OJT reimbursements to employers). Full payment of the full unit price will be made only upon completion of training and OJT, and when the OJT slot is filled and retained at the end of the OJT period--in a training-related occupation at not less than $3.35 per hour.

For the purpose of this contract, the following definitions will apply:

TRAINING: Stage I of the cycle--the 3-week employment preparation activity.

TRAINING-RELATED OCCUPATION: Any non-subsidized jobs paying the minimum specified wage of $3.35 per hour.

AVERAGE WAGE AT PLACEMENT: $3.35 per hour.

RETENTION: A period of 30 days following the starting date of a non-subsidized job placement or completion of the OJT training period.

This is a performance-based contract. Costs will be billed entirely as fixed, single-unit charges, and are all chargeable to the Training Cost Category. Single-unit charges will be for enrollments, training, OJT, and non-subsidized job placement, and retention as outlined below:

FIXED-UNIT PRICE:

50 Persons enrolled	@ $446.38 Each	=	$22,319.00
40 Persons completing training	@ $278.98 Each	=	11,159.00
32 Persons* obtaining full-time jobs	@ $523.09 Each	=	16,739.00
27 Persons retained for 30 Days	@ $206.63 Each	=	5,579.00

*Includes 16 OJTs at end of OJT training period)

LINE ITEM COST (TRAINING COST CATEGORY):

16 OJT Employer Reimbursements	@ $544.00 Each	=	8,704.00
TOTAL POTENTIAL REIMBURSEMENT:			$64,500.00

THE MAXIMUM TOTAL AMOUNT PAYABLE TO THE CONTRACTOR IS $64,500.00.

SCHEDULE FOR PAYMENT:

Single-unit charges will be billed as follows:

1. Enrollments: Billed immediately after enrollment.

2. Training: Billed after completion of 3-week preparation activity.

3. OJT: Placement Fee (total: $523.09) billed in two installments: At start of OJT ($130.77); and at end of OJT ($392.32).

4. OJT Retention: Payment ($206.63) billed 30 days after OJT training period ends, provided participant is still employed.

5. Unsubsidized Placement: Initial Placement Fee ($523.09) billed at time of placement.

6. Unsubsidized Placement Retention: ($206.23) billed after 30 days in position.